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SOCIAL CLASS CONSCIOUSNESS AND CONSUMER CULTURE IN  
TRANSITION—EXPLORING THE “NEW POOR” IN TAIWAN AND THE  
U.S.

BY

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DISSERTATION

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## Abstract

The examination of social class and consumption is often grounded in a static and fixed understanding of social class consciousness to assume that consumers identify with a particular social class so that they can perform corresponding consumption practices. This study offers a departure from that dominant perspective by discussing the fragmented social class consciousness of the “new poor,” the younger generation who lost their economic security in the Great Recession in the end of the first decade of the 21<sup>st</sup> century. Their non-economic capitals (i.e., social, emotional, and cultural capital) acquired in their upbringing, include higher educational attainment, a middle-class taste, a safety net, and positive self-esteem and emotions. These forms of capital are incongruent with their current, low-level economic standing. In other words, due to rapid societal changes, the new poor are caught in double binds, i.e., the capital into which they have grown does not fit the changing economic environment so that their skills and knowledge have been devalued. Their multi-faceted social class consciousness can thus yield differing and ambivalent class-based implications.

In this study, an interpretative, inductive, and Consumer Culture Theory (CCT) approach is taken to examine how new poor consumers interpret their identity strain and reproduce the in-between social position in everyday consumption practices. Through 20 in-depth interviews among self-defined new poor informants in Taiwan and the U.S., the finding suggests that they tend to view their social position as a “failed entitlement.” In order to restore their failed entitlement to material well-being in the field of consumption, informants on the one hand develop a narrative that signals their non-economic capital through moderate consumption, while on the other hand “capitalize” their advantages to afford things that are out of their price range. These eclectic narratives and strategies differentiate them from other low-income consumers and/or middle-class counterparts. However, while their consumption practices reflect a balance among different forms of class-based capital, as well as an understanding of the new socioeconomic reality, they cannot be accumulated to help contribute to substantial improvement of informants’ economic standing. As such, informants’ disadvantaged economic position may be further marginalized their everyday shopping.

This study employs a subjective and relative terms to understand consumers’ deprivation experience, hopefully to articulate consumers’ behavior to their psychographic features, instead of standardized demographic variables. This study contributes to scholarly work striving to understand the social class implications of consumer behavior in today’s income inequality context. New poor consumers’ practices reveal how social class can be signaled and reproduced in downward mobility, as well as how social class remains a key mechanism that mediates lifestyle variations in the contemporary marketplace.

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# CHAPTER 1

## INTRODUCTION

*“We tend to think that people became poor because they do not have knowledge and professional skills, they do not take school seriously, so eventually they end up doing some low-end jobs... But the new poor are different. The new poor are those who would have the opportunity to move up if they were born a generation ago...As for now, if you just enter the job market with ‘bare hands,’ I mean no background, no working experience, no internship, you earn only a bit more than the poor do. You cannot save money, you can only get by. You cannot think about the future. You feel that you’ve tried really hard, but it makes no difference.”*  
(Calvin, M, 29, Taipei, travel agency staff)

Calvin (pseudonym) is one of the informants who participated in my pilot interviews in summer 2013. Calvin comes with a stable family background. He remembers that when he was little, his father, who holds a Ph.D. degree, often traveled with the family during weekends and introduced knowledge about the natural environment to them. Calvin himself holds a master’s degree from one of the most prestigious universities in Taiwan. He lives with his family and works temporarily in a local travel agency, which does not pay much salary. His next step is to pursue a Ph.D. degree in Europe because he was just awarded a scholarship. He does not feel economically secure, and he can barely save enough money for a stable future. In my opinion, he is young and good-looking, and he is dressed tastefully. After he showed up right on time for our interview, he said that some nice, cozy coffee shops in the neighborhood near the Dazhi area have not opened because it is too early, “so we have to put up with chain stores.”

Calvin can probably be categorized as “elite” if his social class is measured by educational attainment or family background. However, as he said, his income level is on the cusp to be categorized as “the poor.” Usually, we do not expect that consumers with such qualifications would find it so difficult to afford a corresponding lifestyle. However, in today’s marketplace, consumers with such ambivalent psychographic and demographic features can be extensively observed due to social mobility. This dissertation explores how individuals, like Calvin, reproduce their identity and social position in everyday shopping based on a transitional and fragmented social class consciousness. Holding a fragmented social class consciousness, in this study, means that individuals do not have a fixed, clear, and consistent perception or



viewpoint in terms of associating themselves with a particular class. They may deem themselves as belonging to more than one social class or to none. The context to examine the relationship among social mobility experience, identity, and consumption practice is the “new poor class,” who become economically-challenged because the capitals they acquired in the old socioeconomic reality have been devalued, so that they gradually lose their economic privileges.

### **Social Class Mobility and Consumption**

Social class, a status hierarchy or a group affiliation through which people are classified based on their characteristics such as economic standing or occupational prestige, is a fundamental concept that is used to account for lifestyle variations. Marketers have paid considerable attention to this concept in predicting and explaining consumer behavior since the 1950s, if not before (Mihic & Čulina, 2006; Meng & Fraedrich, 2010; Kamakura & Mazzon, 2013). For example, in the Coleman-Rainwater model, social class is a multi-factored, richly textured phenomenon (Coleman, 1983). Individuals are categorized into social classes such as upper-upper, lower-upper, upper-middle, middle class, working class, a lower class but not the lowest, and real lower-lower class based on their characteristics including education, occupation, community participation, family history, cultural level, recreational habits, and so on (Coleman, 1983). There is no lack of literature regarding how people from different social classes consume (see Hill, 2001; Elliott & Leonard, 2004; Castilhos & Rossi, 2008; Kharas, 2010; Kamakura & Mazzon, 2012). For example, Schor (1999, as cited in Kharas, 2010) described middle class consumption as a new consumerism, in which we observe constant and upscale lifestyle norms, the aspiration and pervasiveness of status and conspicuous goods, and the disconnect between consumer desires and incomes.

In this study, consumption is viewed as an action in which individuals acquire, use, buy, access, or take advantage of the utilities and/or the meanings attached to certain objects or intangibles. It could refer to shopping behavior in general such as buying groceries, or enjoying cultural texts such as watching TV. According to Williams (2006), consumption goes beyond economic and utilitarian purpose and has its own meanings shaped by race, gender, and social class. Where we shop and how we shop could reproduce social class differences. Consumption can be a practice and embodiment of internalized differences among different social groups (Bourdieu, 1984). According to Bourdieu (1986), we have various forms of capital that can be

used to compete for social status in our everyday lives. Economic capital refers to financial resources such as money and assets, while social capital is associated with social networks such as relationships, organizations, and affiliations. For example, some may have strong social capital to get access to insider's information from the "right" people in order to deal with issues in a local community, such as to gain membership in the country club or private school. The third form of capital, cultural capital, consists of a set of socially rare and distinctive tastes, skills, knowledge, and practices (Holt, 1998). Cultural capital exists in three primary forms. It can be embodied through implicit practical knowledge, skills, and dispositions, objectified in cultural objects, or institutionalized in official degrees and diplomas (Holt, 1998). For example, professors can be viewed as high cultural capital holders because they usually have a doctoral degree and their occupation is considered as cultural producers. They may thus better know how to appreciate products with cultural meanings.

Meanwhile, consumption is not always a by-product of social class; instead, it can be used deliberately for status-seeking or building class differences (Veblen, 1899, as cited in Corrigan, 1997). Especially in societies where one's social class is believed as something that could be earned by personal endeavors, such as in capitalist and democratic countries, people may have less sense of belonging to a class and thus desire to claim their class through symbolic possessions (Sorokin, 1959; Wisman, 2009; Hovland & Wolburg, 2010).

However, for consumers like Calvin, it is difficult to categorize them into traditional consumer target markets based on static segmentation strategies. For example, Calvin is not "Urban Achievers" in PRIZM segmentation who have a below-average salary, a college degree, and a hobby to read comic books and watch soccer games. It can also be problematic to categorize Calvin as middle class in general if based on some common ways to segment markets such as by profession, income, purchase behavior, or living area. In addition, while suffering from a low salary, Calvin's behavior is far from description of the "lower American" such as "crude" or "trashy" as described by Coleman (1983, p.267). Thus, studying the consumption practice of the new poor is a departure from dominant social class and consumption studies, in which social class may be used to account for lifestyle variations or may be dismissed as an obsolete notion because of upward mobility and diluted social class differences in the contemporary society (Henry & Caldwell, 2008). In this study, the new poor experienced

downward mobility in a social class hierarchy, so that their features do not fit into a particular social group in a traditional sense. They may obtain an advanced degree from an elite university while engaging in dead-end, contingent jobs after graduation; or they may acquire middle-class values and tastes in their upbringing while struggling with low earnings in adulthood. In other words, as a consumer, they may have already learned how to spend money before they actually have a corresponding occupation to support the lifestyle they are used to. The new poor phenomenon is developed in the dwindling middle class discussions; thus, it serves as a pertinent context to examine consumers who experience identity strain in their life transitions and cannot be fully pictured through commonly-used static categorization of consumer segmentation (Hamilton & Catterall, 2006; Ulver & Ostberg, 2014).

This study takes a Consumer Culture Theory (CCT) approach to investigate how consumers, who acquire such fragmented social class consciousness due to middle class downward mobility, cope with their limited spending power and identity strain in the marketplace. CCT is not a methodological-oriented field but “a family of theoretical perspectives that address the dynamic relationships between consumer actions, the marketplace, and cultural meanings” (Arnould & Thompson, 2005, p.868). The CCT approach helps examine the co-constitutive nature of consumer culture that is shaped by marketers’ tactics and commodities as well as consumers’ reactions in their private sphere space of everyday life (Arnould & Thompson, 2005). According to Hamilton and Catterall (2006), scholars have taken this approach to investigate consumers’ identity and consumption in life transitions such as the experience of a natural disaster (Sayre & Horne, 1996), aesthetic plastic surgery (Schouten, 1991), and empty-nest status (Hogg et al., 2003, as cited in Hamilton & Catterall, 2006). In this study, the new poor is also viewed as “in transition” because of their social mobility experience.

### **The Emerging New Poor Class**

In the Great Recession in the end of the first decade of the 21st century, income inequality has pushed people out of their previous economically secure positions (Goodman, 2010). People who used to be less associated with poverty problems, such as well-educated youngsters and white-collar workers, have become economically challenged and then “fall from grace” even if they “did everything right” (Ehrenreich 2005). As Calvin said, these people would be able to enjoy a decent middle-class lifestyle brought by their qualifications and backgrounds if they were not

born a generation ago. According to Graeber (2013), the Great Recession has accelerated a profound transformation of the American class system, and the polarization of income is not limited to the U.S. It is extensively discussed in a global context which includes Europe, the U.S., Latin America, and East Asia (Lu, 2007; Atkinson & Brandolini, 2011). Globalization has resulted in uneven economic performance and quality of life across development groupings and geographical regions (Hill & Rapp, 2009). In this trend, the impact of downward mobility may be especially significant to the middle class. For example, in Taiwan, economic growth has slowed down since the 1980s and income inequality has gradually exacerbated (Hsiao, 2007). Salary has been stagnant for almost twenty years (Yu, 2013). Meanwhile, in the U.S., an income between \$45,000 and \$90,000 in 2006 put you into middle class, but the percentage of Americans who earn enough to be classified as middle class by this standard has been dropping for many years, too (Davey, 2012). The American Dream assumes that each individual has equal access to the pursuit of happiness and a better social standing through diligence and higher education; thus, a social class can be earned if people work hard (White, 2011; Kadlec, 2011). Nowadays, however, less than half of Americans agree that the American Dream still holds true (Hacker, 2011). After the Great Recession, the American Dream has a more modest meaning with which people merely seek personal financial security and/or a reasonable retirement age (White, 2011; Kadlec, 2011). Those former members of the middle class who are now becoming economically-challenged and underprivileged due to macro-societal transformations can be described as the “new poor” (Goodman, 2010).

In contrast to the “old poverty,” a term that usually describes the economic conditions between World War II and the mid-1970s, the new poverty is associated more with structural changes that have resulted from political, economic, or societal shifts and less with personal misfortunes (Lu, 2007). As the new poor is still a relatively new and broad idea without an explicit and universally-accepted definition, in the present study, I employ this term to refer to millennial youngsters who are caught in double binds, i.e., the capital into which they have grown does not fit the changing field so that their skills and knowledge have been devalued and cannot be used to secure a satisfying position in the production system, which inevitably affects their lifestyle. Compared to the previous generation who witnessed economic development, young people today may live in an era of “rich dad, poor son.” They are threatened by stagnant

salary, contingent employment, economic insecurity, and limited opportunities for upward mobility.

### **A Consumption Approach to Understanding Social Class**

Previous studies discussing the new poor class revolve around themes of social welfare, social policies, or economics (see Lai, 2004; Li & Lai, 2006; Lu, 2007), so that their purposes are more for identifying causes and seeking solutions for this social problem. These studies tend to ask what goes wrong in the worldwide economy and how we can restore the societal order.

However, I would argue that one of the implications brought by the emergence of new poor should be a novel way to conceptualize the fragmented social class consciousness of individuals who are constantly experiencing various forms of social mobility in modern society. In the process of downward mobility, one's identity may eventually rest at a stratum such as the lower-middle class or the underclass. But the transitional status, in which individuals still feel "in between" and negotiate among ambivalent class-based dimensions, remains a relatively new theme and requires more scholarly discussions.

The perspective to emphasize the subjectivity and self-identity of the new poor may be particularly significant with respect to consumer behavior and consumer culture. This is because a consumer segmentation that does not reflect consumers' identity could fall short of implications in consumer behavior. In other words, for the case of new poor as well as other individuals experiencing social mobility, how they view themselves may be quite different from how they are categorized by marketers "on paper."

Therefore, when I use consumption as a lens to examine this emerging social group, a more subjective and relative term is employed to understand their social position. In other words, consumers in social mobility should be viewed separately from their counterparts in the "origin class" (likely to be middle class in the case of the new poor), and in the "destination class" (e.g., the poor). As Dwyer (2009) indicated, to understand social stratification, the significance of consumption inequality should be stressed in addition to the traditional focus on the system of production such as occupation, education, and income.

Specifically, this research aims to answer two research questions:

(1) How do the new poor interpret their identity and experience in downward mobility, especially in terms of potential incongruent class-based capitals?

(2) If and how do the new poor cope with and reproduce their fragmented social class consciousness in everyday consumption?

## **Method**

An inductive and qualitative approach is employed as it allows a more holistic viewpoint to answer the “why” and “how” research questions (Marshall, 1996; Creswell, 2009). In a two-year period (mid-2013 to mid-2015), I conducted in-depth interviews among self-defined new poor informants in Taiwan and the U.S. As indicated by Seidman (2006, p.9), at the root of the in-depth interview “is an interest in understanding the lived experience of other people and the meaning they make of that experience.” Informants are between 25 and 35 years old, so they are the millennial generation affected by the Great Recession. They were selected through purposeful sampling, which is the most common sampling technique for qualitative studies by which the researcher actively selects the most productive samples to answer the research questions (Marshall, 1996).

The choice of research sites (the U.S. and Taiwan) was drawn from the idea that these countries represent diverse cultural backgrounds (De Mooij & Hofstede, 2010) while they share similarities in terms of economic development (free market, advanced capitalist society) as well as the proximity to global consumer culture (Hsaio, 2007; Davey, 2012). The multi-site research is designed to provide a richer interpretive framework with more “glocal” variations (Robertson, 1992, as cited in Ulver & Ostbert, 2014).

In terms of data analysis, the interviews were transcribed and coded using multiple coding methods (see Saldaña, 2013). I first employed attribute coding to describe informants’ demographic characteristics such as their residential area, income level, educational attainment, and occupation. Next, I used eclectic coding that encompasses various approaches to analyze the data because it is suitable to discern a variety of phenomena and issues that are related to new poor’s fragmented social class consciousness. In the second cycle of coding, I used pattern coding to generate more meaningful, parsimonious, and abstract units of analysis. These pattern codes hold merit as major themes for the researcher to develop discussion. The way I analyzed

and coded the data reflects an issue-focused approach that hopes the theoretical findings can be generalized, which is the usual sociological account (Weiss, 1994).

### **The Outline of Dissertation Structure**

To sum up, this study seeks to contribute to the literature regarding social class and consumption by investigating whether and how the new poor interpret and reproduce their fragmented social class consciousness in everyday shopping. The potential contribution is three-fold. First, this study may challenge and broaden our imagination of social class demarcations in order to include individuals who have acquired a transitional identity and social position. The new poor's lived experience calls for more attention to consider individuals' identity strain in discussions of poverty measurement. Second, informants' consumption practices could illuminate how social class differences are signaled and reproduced in today's downward mobility. In other words, even if in the polarized income distribution context, consumers can still wield various forms of class-based capital to compete for social status, which is beyond the dichotomous consideration regarding economic standing (the haves and the have nots). Finally, informants' interpretation and coping strategy come with managerial implications for marketers. In order to understand millennial consumers, in addition to consider each psychographic and demographic variable respectively, the negotiation and gap among these variables can be considered as a whole to help predict consumer behavior in the market with slack economic growth.

In the next chapter, I review relevant literature as the background context. I present how consumers in transition should be considered to further the applicability of the social class and consumption theoretical framework in the contemporary marketplace. Subsequently, in chapter three, I discuss how in-depth interviews gradually "became" the most pertinent method to answer the research questions. Qualitative studies usually do not develop in a linear manner and the researcher needs to constantly construct and reconstruct the research design (Maxwell, 2013). The data collection and analysis is a process of locating and probing themes emerging from the interviews, which may not be consistent with the researchers' anticipation before entering the field. The findings are elaborated in chapter four, in which new poor informants' lived experiences, identity strain, and consumption practices are discussed and compared to other scholarly works of consumer study. Finally, in chapter five, I conclude the dissertation by

providing its theoretical contribution and limitations, as well as suggesting possible dimensions to be developed in future research.



## **CHAPTER 2**

### **BACKGROUND CONTEXT**

The chapter begins with a discussion of the relationship between social class and consumption, with a focus on relatively recent scholarship regarding consumers' practices in life transitions. Subsequently, I introduce the "new poor" context, in which the present study is embedded in order to explain how these consumers may challenge our thinking about the boundaries of different social classes and their corresponding lifestyles. These consumers may be elusive to define based on traditional and standardized variables, as their devalued class-based capitals need to be interpreted in the contemporary socioeconomic reality. The transitional social position and dynamic identity of the new poor call for a multi-dimensional, subjective approach to evaluate these consumers' deprivation experiences, which helps scholars interpret consumers' shopping behavior in social mobility.

#### **The Relationship between Social Class and Consumption**

The definition and measurement of social class vary across geographical regions, historical backgrounds, and scholarly approaches. For example, social class and status need to be differentiated in Britain as they represent two qualitatively different forms of social stratification which retained currency in the 1970s (Chan & Goldthorpe, 2007). However, it is common for North Americans to assume that class is a product of income (Coleman, 1983). Weberian scholars indicate that *class* structure is formed by social relations of economic life or the relations in labor markets and production units, but one's *status* is associated with the social honor attached to certain of their positional or perhaps purely ascribed attributes such as birth or ethnicity (Chan & Goldthorpe, 2007). Sometimes the concept of social class is used in a more inclusive and general manner to refer to a combination of occupation, income, and education variables (Mihic & Čulina, 2006) that can be used independently or can be compared to other variables (e.g., social class versus income) when explaining lifestyle stratification.

Previous scholars have deemed consumption as a pertinent field to examine social stratification. For example, Dwyer (2009) brought in perspectives from Weber, Bourdieu, and Giddens to argue that consumption is central in shaping and reproducing our status and lifestyle in the stratification system—"Weber maintained that consumption was central to the formation

and organization of status groups; Bourdieu showed that analysis of lifestyle reveals the mechanisms of class reproduction in modern societies; and Giddens called for analysis of 'distributive groupings' as 'relationships involving common patterns of the consumption of economic good' that result from and contribute to class structuration" (p285-286). Williams (2006) also indicated that what, where, and how we buy has sociological implications—we don't shop based on simple cost-benefit calculation or the attempt to get the most value for the lowest price. Consumption goes beyond economic and utilitarian purpose; it has its own meanings that are shaped by our race, gender, and social class, so that consumption also reproduces social inequality (Williams, 2006). For example, when selecting gifts for the next generation, parents could be keenly sensitive to the impact of their gifts on children. According to Williams (2006), toy-shopping can be a part of the child-rearing strategy of concerted cultivation favored by middle class adults.

On the other hand, scholars, especially in marketing-oriented studies, tend to use people's social classes to understand their lifestyle variation. Henry (2005) pointed out that social class provided a fruitful arena for examining consumption patterns. For example, young professionals acquired a more elaborative attitude in their budgeting and financial planning if compared to their working class counterparts (Henry, 2005). Coleman (1983) also suggested that even if the meaning of social class has been conceptualized in many different ways in different eras, social class remains a primary concern in marketing practice. He proposed that, for consumer researchers who seek to understand the impact of social class on a product area, scores based on one's education, occupational prestige, area of residence, and annual income can be considered accumulatively as the index of social class. For example, a postal employee would score 3 in occupation, while a social worker scores 5. Individuals scoring more than 37 can be "Upper American," whose lifestyle may center on private clubs, causes, and the arts (Coleman, 1983).

Goldsmith et al. (1996, as cited in O'Cass & McEwen, 2004) contended that "one important motivating force that influences a wide range of consumer behavior is the desire to gain status or social prestige from the acquisition and consumption of goods" (p.26). According to Chen (2009), consumer goods can be a "cultural primer," by which people socialize or control others based on the symbolic meanings attached to the things we use. For example, in countries with a Confucian collectivistic cultural background, consumers tend to engage in conspicuous

and valuable consumption to signal financial achievement (Wong & Ahuvia, 1998). Using the symbolic meanings of consumption to facilitate the status-seeking process is also prevalent in societies like the U.S., where people do not view social class as given with birth, but rather believe that individuals are responsible for where they end up in the social hierarchy. People may thus feel more inclined to demonstrate status and class identities through consumption (Wisman, 2009). In other countries such as Brazil and the U.K., conspicuous consumption is also a key element in the formation and preservation of social identity among the underclass, and poor children in particular may desire advertised fashion items (e.g., Nike shoes) due to the need to fit in with their peers (Elliott & Leonard, 2004; Castilhos & Rossi, 2008).

As such, there has been a long and rich history of scholarly interest in terms of how people use consumption to represent social classes and even build social class difference. Back in 1899, Veblen coined the term “conspicuous consumption” as he discussed the mechanism people use to gain social honor, prestige, and status to differentiate themselves against their peers. He believed that pecuniary standing indicated by conspicuous leisure and conspicuous consumption helps build the class differences (Corrigan, 1997). In contrast, Bourdieu did not see class as a hierarchical structure of social prestige based on pecuniary standing. For example, in addition to economic standing, one’s interest or experience with the arts will also be considered in the measurement of social class (DiMaggio, 2001). As for class, he posited discrete “class fractions” sharing similar positions with respect to education, income, and occupation, each united by a habitus, which is described as the “psychobodily mechanism that unconsciously mediates class socialization and expression of status through consumption” (Üstüner & Holt, 2009, p.52), or a world view derived from similar life experience and common image of the way of life appropriate for people of the same kind (DiMaggio, 2001).

As DiMaggio (2001) analyzed, Veblen and Bourdieu both believed that social stratification has profound effects on lifestyle, and some symbols in consumption can help build class differences, but beyond this, their approaches vary. For Bourdieu, class-based behaviors are not just about deliberate choices but driven by habitual responses in different fields of everyday life. For example, those cultural elites tend to have a cosmopolitan attitude, which contributes to their regular overseas travel, their preference for exotic food, and their interest in information outside of their local communities (Holt, 1998). In this way, a certain lifestyle is a sign for group

affiliation, which comes with horizontal connections as well as vertical distinctions (DiMaggio, 2001). Compared with Veblen, Bourdieu's work was more empirically-based and inspired subtle but more holistic discussions about how class is practiced in our daily lives. While Veblen implied that consumption is a channel to spend money as well as a demonstration to show off how you spend money, Bourdieu theorized and concretized the implication and suggested that beyond the economic standing (economic capital), there are additional forms of capital (cultural capital, social capital) that can be used to compete for social status in our daily lives. Longhurst and Savage (1996) pointed out that Bourdieu's perspective "allows him to relate consumption processes to the traditional emphases of mainstream Marxist and Weberian sociologists—class, status, social closure—whilst at the same time reframing these theoretical ideals in ways sensitive to the complexity of cultural media and the specificity of different cultural fields (p.274)."

However, the straightforward correspondence between one's lifestyle and their social class sometimes has been dismissed as an outdated notion, because of conservative, individualist arguments typical of marketing and economics, liberal sociological arguments, and radical postmodern arguments (Holt, 1998). But it is contended by other scholars that Bourdieu's analysis still retains currency in today's market as long as we focus on consumers' practices and interpretations in the context of macro societal trends. For example, in terms of food consumption, consumers experiencing either downward or upward mobility could signal their belonging to or distance from certain social classes by creating different discourses regarding "how to eat" (Beagan et al., 2015). In the study of Beagan et al. (2015), consumers who experience downward mobility may differentiate themselves from other low-income consumers through their knowledge of healthy eating (staying away from junk food, the literacy to read labels, etc.), while others may stress a cosmopolitan and open attitude to various types of cuisine to show that they are associated with upper classes. On the other hand, Üstüner and Holt (2010) applied Bourdieu's discussion in the context of cultural globalization to revise some key constructs in his theoretical framework. They found that, among the middle classes in less industrialized countries (e.g., Turkey), cultural capital can be organized around orthodox practice of the Western lifestyle myth. For example, in their study, higher cultural capital holders prefer to live in gated communities in which they can fulfill their Westernized vision of the good life with two children, two cars, and a dog. They also tend to use modern, casual Italian, and

American-style furniture for home decor. Such practice is different from Bourdieu's perspective in which cultural capital centers on the expression of sophisticated tastes, emphasizing aesthetics, abstraction, improvisation, eclecticism, cosmopolitanism, and authenticity (Üstüner & Holt, 2010). These studies evidenced the applicability of Bourdieu's theory, as long as it can be reconstructed to include consumers' subtle, status-seeking practices in the contemporary context.

Consumption is an arena where we can observe the interplay of different forms of capital in one's social class. Although social class is sometimes deemed as a product of income, economic standing should serve as only one dimension of social class formation. Social class is also about other attributes, including reputation, taste, cultivation, social affiliation, and honor that are endowed to or acquired by a particular group of people (Coleman, 1983). For example, at one time, a white-collar worker has "more class than money" while a blue collar worker may have "more money than class" (Coleman, 1983). When it comes to consumption, those who come with more class than income may better know how to purchase a bottle of wine, but those who come with more income than class are better capable of purchasing a nice car. This may explain why, in marketing research, sometimes income and social class are viewed as two separate variables, and there are debates since the 1960s about which one of them better predicts consumer behavior (Henry & Caldwell, 2008; Patsiaouras & Fitchett, 2012). For example, Mihić and Čulina (2006) suggested that while income better explains purchasing habits and behavior with less visible products associated with significant expenditures such as life insurance policies, social class matters more with products reflecting lifestyle values, which refer to visible and expensive products associated with class symbols such as theater attendance. This situation exemplifies Bourdieu's narratives about different capitals because some consumption may require more cultural capital than economic capital, and vice versa.

### **Consumers in Transitions**

If consumption embodies the interplay of different dimensions/variables of social class, I ask how one's consumption behavior can be influenced if these dimensions of social class are incongruent and mismatched. For example, unlike cultural elites, "new money" consumers may not have enough cultural capital to appreciate high-brow cultural forms. In this regard, some studies that take a Consumer Culture Theory (CCT) approach have examined how individuals would consume when they are in transitions, which is defined as a perceived discontinuity in

one's life space (Hopson & Adam, 1976, as cited in Hamilton & Catterall, 2006). These studies include cases relating to a natural disaster (Sayre & Horne, 1996), aesthetic plastic surgery (Schouten, 1991), and empty-nest status (Hogg et al., 2003, as cited in Hamilton & Catterall, 2006). According to Ulver and Osberg (2014), consumers in modern society are constantly experiencing vertical mobility (status transition) and horizontal mobility (identity transition), so that they are elusive to define based on traditional and static consumer segmentations. Consumers' movement of constantly "becoming someone," rather than simply "being someone," can be a dominant and mandatory orientation for average middle-class consumers when they compete for status positions in the global arena (Ulver & Osberg, 2014). For example, some consumers experience identity strain, i.e., mixed emotions and incongruent thoughts because the ideology instilled in them in their upbringing contradicts the new societal context they face after growing up, which makes them unfit for standard measurements of consumer segmentation (Ulver & Ostberg, 2014). Figueiredo and Uncles (2015) also investigated how horizontal mobility would result in unique new consumer behaviors. They found that globally mobile consumers (frequent-flying, professional elites) engage in flexible consumption in which they develop temporal strategies such as postponing current needs to an uncertain time point in the future (e.g., not buying furniture to be prepared for potential moving).

In this vein, lifestyle is often a by-product of consumers' transitional identity, instead of certain demographic variables (income, education, etc.). In the study of Demetry et al. (2015), consumers would strategically adopt a low-income lifestyle in order to support their prospective identity—artists and graduate students may deem poverty as a transitional stepping stone for a future identity of becoming a successful artist and academic. Zamwel et al. (2014) also pointed out that some "voluntary simplifier" consumers choose to reduce consumption as a political act. These discussions call for a more nuanced perspective to explore consumers' changing identity beyond the focus on external, measurable demographic indicators.

In terms of social mobility, while there is ample literature on consumers' behavior in a recession (Kamakura & Du. 2012; Meyer & Sullivan, 2013), including how social class could influence interpretation and response to economic crisis and consumption discourses (Alonso et al., 2015), consumers' identity strain and potential social position shifts should also be considered to complete the discussions. Hamilton and Catterall (2006) found that compared to

those constantly living in poverty, families that have recently experienced transition into poverty may have a different reaction to the thrifty lifestyle since they are fully aware of what they are missing. In this sense, for marketers using traditional psychographic and demographic indicators to demarcate their target audience, they may overlook some key features in consumers' identity that result from their mobility experiences. Scholarly discussions taking this approach may hold ramifications for consumption and marketing practice, because they do not simply focus on consumers' behavior in recession, but connect them to consumers' interpretations and conflicting identities.

In other words, in the fast-changing, modern society, consumers' subjectivity should be stressed when investigating the correlation between social class and consumption. This inevitably changes how various forms of capital can be used as leverage to signal social class differences in consumption. For example, Owens (2015) indicates that in the housing crisis in the Great Recession, some advantageous characteristics of the middle class became disadvantages in the mortgage modification process if compared with their working class counterparts (Owens, 2015). Working class homeowners may have a more useful social network with similar others so that they can quickly share key information to avoid scams and facilitate applications. Bardhi et al. (2010) also pointed out that one's cultural capital may "decrease" because of traveling to other countries with a different cultural background (e.g., from the U.S. to China). In their study, travelers' consumption of food abroad can reveal a low cultural capital mode, which is different from their high cultural capital status in their home country. For example, travelers may turn to Western fast food restaurants when they lose interest in experimenting with local food after the first few days of travel. They are no longer cosmopolitan but consume the symbolic meanings of food to "feel like home" and create boundaries toward the Others (Bardhi et al., 2010).

In the present study, consumers' identity strain is embedded in the context of their downward mobility experiences, in order to articulate consumers' agency and structural influences in the formation of particular consumption practices. I argue that for the new poor, their identity and social position are "in transition." The emergence of these "new poor" consumers will be discussed in the following section.

### **The New Poor in a Structural/Global Perspective**

Though lacking a universal and common definition, the term “new poor” usually refers to a group of people who are former members of the middle class but now are becoming economically challenged and underprivileged due to some macro-societal transformations (Goodman, 2010). In contrast to “old poverty,” which usually describes the economic conditions between World War II and the mid-1970s, the new poverty is associated more with structural changes from political, economic, or societal shifts and less with personal misfortunes (Lu, 2007). Despite the discrepancies regarding the causes of new poverty among different countries, the new poor phenomenon is extensively discussed in a global context, which includes Europe, the U.S., Latin America, and East Asia (Lu, 2007). For example, scholars contended that globalization in the late 1970s triggered structural changes of the economic industries and labor markets in Europe, which altered their labor market structure, family patterns, and government welfare policies. All of these changes were believed to result in the new poverty problem in Europe (Li, 2009). The impact of globalization became obvious since the 1990s and we have observed growing unemployment rates and increased low-income households and individuals in different regions (Li, 2009). Nowadays, the new poor can be exemplified by the “hidden poor” California elders who suffer from the “care unaffordable, help inaccessible” dilemma of healthcare because they are “unofficial poor” who are not qualified for public assistances (Lai, 2015; Kleyman, 2016), or those “ALICEs” (Asset Limited, Income Constrained, and Employed) in New Jersey whose household income are below \$51,017 but still above poverty (Cherny, 2013). In Taiwan, they can be the “22K college graduates” whose monthly starting salaries are around 22K (NTD \$22,000, approximately USD \$700) because a government policy in 2009 that was designed to encourage employers to hire youngsters in the Great Recession has turned into incentives for the industry to lock the salary for young workers into a minimum (Hung, 2015). In other countries, the new poor can be those “net café refugees” or “cyber homeless” in Japan who engage in contingent employment after the economic crisis and need to use net cafés as their dwellings (Hardach, 2007); as well as “the lost generation” in Europe where qualified and aspirational youngsters need to leave home to find employment overseas that do not fit their educational attainment, such as involuntarily working for a coffee shop while holding a Ph.D. degree (Coldwell, 2013).

Morris and Western (1999) argued that we should not leave the broad trend of stagnation in earning levels and polarized income distribution to the economics and only focus on poverty



alone or on earning “gaps” with gender and race differences. Especially in the late 20th century, the economic restructuring has been witnessed at many levels and the impact on earnings inequality has been profound. The earning issues may bring fundamental changes in politics, markets, and life chances (Morris & Western, 1999).

Income inequality is a significant dimension for us to examine the new poor phenomenon since it implies the hollowing out of middle class in our social structure. Atkinson and Brandolini (2011) analyzed the data across different countries and concluded that between the mid-1980s and the mid-2000s, the middle 60 percent of the population lost income shares to the benefit of the richest top fifth among 14 out of 15 countries in their study. These 14 countries, including the U.S., the U.K., France, Germany, Taiwan, Norway, and Sweden, have encountered the common income inequality problem although they come with different levels of economic development. In Asia, the popular “M-Shaped society” analysis proposed by Ohmae (2006) vividly depicts the structural middle class decline that people are concerned with in Japan and later in other East Asian countries such as Taiwan. The M-shaped society refers to a new economic structure with polarized wealth distribution, and the middle class is assimilated out of its former position and into the lower and upper classes. The restructuring process of different social classes can be visually presented like the letter M. The M-Shaped society is not an ideal society, and the concept is usually discussed with some indices such as a rising unemployment rate, birth rate, divorce rate, suicide incidence, low household saving, and low-income household, etc. (Hsueh & Ku, 2009). Even studies that refute the M-Shaped society narratives could not deny that the middle class in Taiwan is suffering from a tendency of downward mobility. Some underprivileged middle class become the lower middle class and may eventually fall out of the middle class array, which contributes to the increase of anxiety, as well as the ambivalence and conflicts within and between social classes (Hsiao, 2007).

The economic problem results in low-quality living in urban areas. The housing price to income ratio is 15.1 in Taipei, Taiwan, which makes the place one of the most unaffordable housing markets in the world. The statistic implies that, on average, a family has to save every dollar of their incomes for 15.1 years in order to afford their own apartments (Peng, 2014). The ratio can be even worse for cases of newly constructed real estate. According to the data from the Directorate-General of Budget Accounting and Statistics in Taiwan, in 2014, the average

monthly salary in Taiwan is approximately \$1,600. In this case, a double-income family may need to save money for around thirty years to afford a 1,400 square feet, new apartment, which costs approximately one million dollars in Taipei (Yeh, 2013).

A similar situation can also be observed in the U.S. Pressman (2007) pointed out that the size of the middle class declined significantly between the late 70s or early 80s and the end of the 20th century. Levy (1987) explained that between 1945 and 1973, if we view the wealth in the U.S. society as a pie, the middle class indeed got a slightly larger share of the pie and the pie itself grew rapidly. However, since 1973, the average incomes have declined or stagnated. While the shrinking middle class may imply that some people have become rich and joined the upper class, Pressman (2007) tended to believe the result is more associated with households falling into the lower class. An income between \$45,000 and \$90,000 in 2006 put you into middle class, but the percentage of Americans who earn enough to be classified as middle class by this standard has been dropping for many years (Davey, 2012). According to the data released in 2015 by the Pew Research Center, the aggregate household income in the U.S. has substantially shifted from middle-income to upper-income households. The share accruing to middle-income households was 43% in 2014, down substantially from 62% in 1970.

In an era of old poverty, we may expect that the normal living condition of the majority is grounded in a society with low levels of economic development. In contrast, the new poor refers to those who are left behind when the society steps into “affluence” brought by globalization and technology advancement (Lai, 2004; Lu, 2007). As the national/global economics move forward, unemployment and unstable jobs are commonly believed as two major factors that push people into the new poor array (Lai, 2004). Nowadays, having a job no longer means getting rid of poverty. Instead, we observe more and more “atypical” employment or “working poor” (Lai, 2004; Shipler, 2005; Lu, 2007) among the younger generation and the white-collar workers, who used to be less associated with the poverty problems in our common imaginations (Chen, 2009). For example, a college-educated entry-level male worker may earn barely more than his counterpart did a generation ago (Hacker, 2011). In other words, the new poverty not only affects people who are traditionally categorized as disadvantaged groups such as unskilled and immigrant workers with low educational attainment, it also threatens the economic well-being of skilled employees and junior white-collar workers (Cheal, 1996; as cited in Li, 2009).

## **The Subjectivity of the New Poor**

Studies mentioned above tend to take a structural perspective to view the new poor as a social reality/problem, and researchers attempted to identify the causes and solutions to the new poor phenomenon. However, I am more concerned with how individuals in the new poor array interpret their experiences and reproduce their identities, since with respect to consumption practices, the way consumers see themselves may be as important as how they are evaluated by those objective variables such as income and occupation. The new poor may have a social class consciousness that consists of discrepant dimensions. The potential discrepancy between “subjective” and “objective” measurement makes it elusive to define this group based on our common wisdom of different social classes.

In general, due to downward mobility, the middle class is in an unhappy state (Samuel, 2014). Strobel (1993) noted that the American middle class was under tremendous financial and emotional pressure in the 1990s for that they suffer from higher taxes at all levels, lower pay increases, and higher medical costs with less insurance coverage. In the early 1990s, a significant number of workers were earning less than their counterparts in the 1960s (Morris & Western, 1999). Newman’s (1988) ethnographic work ably captured how people who had “fallen from grace” interpret their experiences. She was concerned with former middle class members who once “had it made” in American society, filling slots from affluent blue-collar jobs to professional and managerial occupations, facing some challenges that push them out of their original positions, and finally coming to rest at a standard of living above the poverty level but still far below the affluence they enjoyed in the past.

Newman’s (1988) study implies that the mismatch between capitals is not a new concern. After all, people may have a fixed social class consciousness while their income level fluctuates from time to time in their lives (Mihić & Čulina, 2006). However, for three reasons, the new poor discussed in the present study may still have different psychographic features from those whose income and social class are tentatively uncorrelated. Namely, the formation of social class consciousness, the cause of downward mobility, and the wide gap among incongruent capitals.

The new poor we are discussing here consists of youngsters who are denied a ticket to the middle class array before or when entering the job market, which means their “middle class

characteristics and experiences” do not come from their occupations or lifestyles as adults. Instead, they need to be traced back to other sources such as the education attainment and family background. Unlike cases in Newman’s discussion, the middle class part in the new poor’s identity is not “earned” by themselves. Instead of “falling from grace,” they are more like being caught in double binds, the capital into which they have grown does not fit the changing field so that their skills and knowledge have been devalued (Gross & Rosenberger, 2010). This does not imply that their identity can be easily adjusted to accommodate the new socioeconomic reality. According to Bourdieu (1984, as cited in Beagan et al., 2015), “the habitus formed in one’s family of origin is most durable, probably because it is least conscious (p.78).” In other words, the new poor’s upbringing and once-privileged social position may result in a more persistent identity, which means a more fragmented social class consciousness, if compared to those who gradually acquired middle class privileges through their own endeavors.

Besides, in Newman’s discussion, as well as other scholarly works examining workers who are vulnerable to social changes and are more likely to be threatened by economic insecurity, the reasons why people lose their social standing may be lay-offs, divorces, lower educational attainment, the (old) age, and so on (Newman, 1988; Li & Lai, 2006). Nowadays, however, the impact of social shifts becomes more sweeping and extensive to the extent that for the new poor class, it is not easy to identify a single and common cause for their troubles. The downward mobility we are looking into is more due to macro-societal changes at a global or national level. Even if one “does everything right,” he/she can still be threatened by unemployment or stagnant salary. The “tranquil” and “unaware” process of losing opportunities for upward mobility may be a feature of the new poor class.

Considering these two features, the new poor may suffer from a wider gap among different forms of capital in their social class consciousness, if compared to other cases with such discrepancy. For example, a lecturer in college may be viewed as having high cultural capital while earning an average income. But for the new poor, while having a relatively high cultural capital, their roles in the production system could be as disadvantaged as those working poor or “real poor.” In other words, their identity is stretched and fragmented, which is expected to affect their consumption practices.

### **The Shifting Social Class Boundaries**

Through exploring the new poor phenomenon, the purpose of the present study is not to restore the societal order by putting the new poor back to a “right” social position. Instead, I would argue that due to the continuous changes in our social structure, our conceptualization of different social classes needs to be modified to include those “in between” individuals who are in life and identity transitions. In other words, the emergence of new poor challenges our definition of poverty as well as what it means to be “middle class.”

To include the new poor into our imagination of deprivation, a more relative and subjective fashion to define “poverty” is necessary. As Hill and Martin (2012) discussed, both absolute and relative poverty should be considered if we want to gain a more complete picture about how consumption impacts well-being. Traditionally, we think that poverty numbers should include only those people who are “without or lacking basic needs” (Diekmeyer, 2001). But such a perspective does not pay enough attention to those people who are able to sustain a basic life but are struggling for opportunities of upward mobility. People may feel deprived in psychological and social aspects if they have nothing else to expect besides survival. The new poor, compared with people lacking basic needs, may be another group who are “without any luxuries” (Diekmeyer, 2001). These comparisons still leave open the question of what basic needs and luxuries are. In the domain of social welfare and policy, we may tend to define the poor as those without basic needs because people may expect the government to use taxpayers’ money to help only the “real poor.” But beyond the social welfare and policy concerns, being without any luxuries can still be a painful and hopeless experience, especially when the luxuries do not refer to designer fashion or fancy cars, but maybe just a hope to have a “real job,” savings, getting married, raising a child, sustaining a social life, having some leisure time besides daily, long working hours, and a chance for upward mobility, and so on.

The word “luxury” could be misleading since it is tempting to think that the new poor are longing for something unnecessary and cannot differentiate their needs from wants. But it may be paternalistic if we set a rigid monetary measurement to deny their struggling with shrinking income just because they have not “hit rock bottom.” Furthermore, the dividing line between necessities and luxuries should be socially determined and ever changing (Scitovsky, 1978, as cited in Pradhan & Ravallion, 2000). How much people need, as well as how much people think they need, may vary based on where they live, how old they are, and their personalities. As

Pradhan and Ravallion (2000) pointed out, “psychologists, sociologists, and others have argued that the circumstances of the individual relative to others in some reference group influence perceptions of well-being at any given level of individual command over commodities” (p.462). This may explain why in economically developed countries, poverty is almost universally conceptualized in relative terms (Perry, 2002), in which we recognize that people may feel deprived in their social, psychological, and material needs even if they live above the economically defined poverty line.

Debates over an appropriate definition imply that poverty cannot be easily measured by a single-dimension standard. While income level is a significant indicator to evaluate poverty, considering the way people consume may complete and deepen the discussion of poverty. Meyer and Sullivan (2013) contended that consumption serves as a better measurement than wages if we are concerned with inequality in well-being. Put differently, measuring poverty by the “outcome,” the consumption and possessions that can be “objectively observed to reckon one’s living condition,” may provide a different picture from the income approach. As Perry (2002) pointed out, there is a significant mismatch between poverty measured directly in terms of observed deprivation and other indicators of unacceptably low living standards. Sometimes, even if we observe that people “lack” something in their living conditions, we need to figure out if the lack is “enforced” by financial constraints or simply due to personal preferences (Perry, 2002). Based on variables of “income” and “acceptable living condition,” Perry (2002) categorized people as “poor,” “non-poor,” “income-poor only,” or “lifestyle-poor.” Although it may still be difficult to pin down a location for the new poor on this four-quadrant framework of poverty because the new poor can be observed in any of these situations, this framework is still significant for it identifies people as “poor” even when they earn more than the minimum salary, and therefore we should not consider them “too rich to be concerned about.”

Another viewpoint to understand the new poor may be “social exclusion.” Due to the constrained consumption power, the new poor may not have full access to social participation, and being excluded from the consumer society can bring the feeling of powerlessness (Andreasen, 1975, as cited in Hamilton & Catterall, 2006). In societies like the U.S. and Taiwan, where consumer culture is imperative and prevailing, not being capable to shop like others in the community can be a source of stress and dissatisfaction (Hamilton, 2009). To be considered as a

“full citizen” in the consumption society, we are concerned with not only one’s “economic health” but also the psychological status, sense of value, and social participation. Poverty is not a static status but a dynamic process. The poverty problem is not limited to numerical demarcations but is concerned with how individuals gradually lose their opportunities (Lai, 2004; Li & Lai, 2006). Lu (2007) contended that the new poor are like those abandoned by the society since beyond the deprivation of material lives, they are also left behind in terms of political participation, social participation, and a promising future. These negative impacts can be accumulated and yield long-term influences in one’s life.

### **Theory Gap and Research Question**

Due to rapid social changes, we may observe more and more groups of people whose social class identity consists of incongruent and ambivalent dimensions. The new poor class exemplifies how one’s social class can be elusive to define because (1) their social class consciousness is fluid and fragmented, and (2) the way they interpret their social class may be different from how they are measured by standardized and objective criteria.

Previous literature has recognized that consumers’ various forms of capital are not always consistent with each other at the same level (Coleman, 1983; Henry & Caldwell, 2008). While each form of capital can be viewed as an indicator to predict consumer behavior, little do we know how the gap between various forms of capital would influence consumers’ interpretation and everyday shopping. This study attends to the fragmented social class consciousness as a whole, instead of trying to locate a corresponding relationship between a particular consumer behavior (e.g., product selection) and a certain form of capital.

Furthermore, scholars have discussed consumers’ identity strain in situations of budget constraint, as well as how people develop coping strategies to deal with income loss (e.g., Hamilton & Catterall, 2006). However, as previously mentioned, the new poor should be viewed neither as another group of low-income consumers nor as those middle class falling from grace. Their downward mobility is less due to personal misfortune but to the double binds, in which the capitals accumulated in upbringing have been devalued. While others may gradually acquire cultural capital (such as taste) in the accumulation of economic capital, the new poor have acquired enduring and persistent middle-class habitus before actually securing a corresponding

position/economic standing in the production system. Considering their once-privileged position, their lifestyle cannot be easily “downgraded” to accommodate the low-income levels. As such, they may develop particular interpretation and coping strategies in the field of consumption. Therefore, studying new poor consumers could further our understanding in terms of how subtle social class differences can be signaled in the contemporary income inequality context, where consumers are roughly categorized as either “the rich” or “the poor.”

Based on the subjective interpretation of the new poor and a more broad/relative terms to define deprivation, this study takes an inductive approach to conceptualize a group of people with fluid and transitional social class consciousness, and to investigate how their “in between” social position and identity are reproduced through consumption. Such inquiry echoes the research interest of a CCT research domain focusing on the sociohistoric patterning of consumption, which addresses the institutional and social structures that systematically influence consumption, such as class, community, ethnicity, and gender (Armould & Thompson, 2005). This study seeks to answer two research questions.

(1) How do the new poor interpret their identity and experience in downward mobility, especially in terms of the potential incongruent class-based capitals?

(2) If and how do the new poor cope with and reproduce their fragmented social class consciousness in everyday consumption?

In the next chapter, I discuss the research method that is used to answer these two questions.



## **CHAPTER 3**

### **METHOD**

In this chapter, I discuss the rationale of employing in-depth interviews as the most pertinent method to answer my research question, which investigates how consumers experiencing downward mobility reproduce their fragmented social class consciousness and social position in everyday consumption. In the following paragraphs, I first discuss the rationale of choosing a qualitative and inductive approach. Subsequently, I explain why I selected the U.S. and Taiwan as the research sites. Then, I present how the design is based on a process of constant dialogue to research inquiry and data collected. In the process, I went back and forth to modify the research framework and initial methods, as some theoretical propositions were soon challenged after I entered the field. In-depth interviews among new poor informants eventually became the primary research method of this study. Thus, the last section provides details regarding how I conducted in-depth interviews and analyzed data to identify recurring and significant themes.

#### **A Qualitative Approach**

Compared to quantitative research, qualitative research employs different philosophical assumptions, strategies, methods of data collection, analysis, and interpretation (Creswell, 2009). Qualitative research, namely, is a situated activity that locates the observer in the world, with an interpretative and naturalistic approach as well as flexibility of research design, in order to obtain rich data (Snape & Spencer, 2003). Some examples of qualitative research methods are observation, document analysis, in-depth interviews, and focus group.

I chose a qualitative-based method to answer my research question for two primary reasons. First, it is a useful way to investigate subjective interpretations and inner feelings, which is necessary in exploring informants' identity. Second, a qualitative approach is believed to be exploratory in nature (Iacobucci & Churchill, 2010), and is good at answering "why" and "how" questions based on a holistic scope of analysis (Marshall, 1996). It allows a more inclusive viewpoint in such preliminary study to examine multiple dimensions of the new poor's consumption practices. In this way, the researcher could take different possibilities and complexities of the research topic into consideration and expand the scope of understanding. Scholars contend that different methods should not be used simply based on the consideration of

research phases, which implies that qualitative-based approach should not be employed only to pave the way for future quantitative research to play a more confirmatory role (Iacobucci & Churchill, 2010; Yin, 2009). In this study, this interpretive approach is selected because it is useful in identifying key variables that can be further discussed in quantitative consumer behavior studies, as well as its congruence with the interpretive nature of the research inquiry.

### **Research Sites (The U.S. and Taiwan)**

The data were gathered in the U.S. and Taiwan. These two countries were selected as the research sites for three reasons. First, since the role of researcher is significant in qualitative research because he/she is the key instrument in the interpretation (Creswell, 2009), I chose field contexts with which I am familiar. The researcher's identity could facilitate or impede the data interpretation due to personal biases, values, and backgrounds. While the familiarity to the fields is crucial and could efficiently initiate the data collection, I kept in mind that I may have preexisting beliefs and attitudes. I was born, raised, and educated in Taiwan before coming to the U.S. to pursue my Ph.D. degree. The five-year stay in the U.S. constitutes the longest period of time of overseas stay in my life. The studying abroad experience allowed me to observe both cultures/countries with a distance so that I would not be immersed too much in each of them. In the U.S., my foreigner identity can be both advantage and disadvantage in the data collection and analysis: I will not enter the field with too many biases and assumptions, but I am probably not highly acute to some subtle cultural practices hidden in the data, either.

Second, generally speaking, the national cultures of Taiwan and the U.S. come with more contrasts than similarities. According to the Hofstede model of culture (De Mooij & Hofstede, 2010), there are five dimensions or clusters of values to distinguish cultures in which Taiwan and the U.S., respectively, belong to different "camps." Beyond the Western versus Eastern contrast, Taiwan is also a collectivistic society in which people's identity is based on the social system, while the U.S. is more individualistic, which means one's identity is in the person. The multi-site data collection may reveal how informants' experiences are influenced by cultural factors.

Third, these two sites are comparable because they share similarities in terms of economic development (free market, advanced capitalist society) as well as proximity to global consumer culture (Hsaio, 2007; Davey, 2012). Therefore, in this broader context, even if the

cultural differences are not salient, the multi-site research design can still provide a richer interpretive framework with more “glocal” variations (Robertson, 1992, as cited in Ulver & Ostbert, 2014). As Scanlon (2000) noted, consumer culture is not unique to the U.S., but it is recognized throughout the world as something quite American. In Taiwan, at least in particular industries, the Western cultural adoration is one of the most important factors in decision-making and preferences influencing the perceived value of goods (Su et al., 2006). As the U.S. society has played a significant role in terms of shaping the contemporary postindustrial consumer culture and boosting consumerism, and Taiwan is greatly influenced in this global trend, the juxtaposition of data collected in these two sites serves as a useful lens to examine consumer culture in the global income inequality context.

### **Modifying Research Inquiry and Methodological Design**

Qualitative studies usually do not develop in a linear manner and researchers need to constantly construct and reconstruct the research design. It is a process of tacking back and forth between the different components of the design and assessing their implications for one another (Maxwell, 2013). In this study, preliminary findings of pilot interviews have significantly reconstructed the research inquiry and design. In this section, I lay out three dimensions that have been modified as the data collection proceeded, to explain how in-depth interview became the most pertinent method to answer the refined research question.

#### ***The selection of product types***

Before entering the field, I held assumptions of topics that needed to be further probed in the actual data collection. But three of them were soon challenged in the interviews; therefore, the method required adjustment. The first assumption is that I believed fashion is the most appropriate product type to examine informants’ consumption practices because it is imbued with many symbolic meanings and can be viewed as a formation and exhibition of self (Goldsmith et al., 1999). Fashion is often analyzed as a symbolic business of cultural production (Parmentier & Fischer, 2011). It is highly associated with our self-images as well as the way we understand social expectations and norms. Besides, fashion consumption comes with dual meanings of conspicuous consumption and status consumption. According to O’Cass and McEwen (2004), status consumption refers to the “personal nature of owning status-laden

possessions, which may or may not be publicly demonstrated, whereas conspicuous consumption focuses more toward putting wealth or position in evidence, whereby possessions are overtly displayed” (p.27). This is to say, besides helping create a public image in society, fashion can also be about how we consider and feel good about ourselves. Thus, I believed that fashion is a product category that would acutely and sensitively reflect consumers’ identities, and can be viewed as an appropriate “platform” to examine the negotiation among self-identities, consumption practices, economic standing, and social norms.

However, in informants’ reflections, fashion is merely a kind of product that they may or may not value. In terms of consumption, some informants may trade up in this category while others are not interested in “creating a middle class façade” with fashion products. Such variation can be explained by individual differences. For example, informants’ age, body shape, residential area and even hobby can influence their attitude to fashion.

Another factor that disqualified fashion as “the” product type to examine consumers’ fragmented identity is that informants usually have accumulated strong emotional capital (e.g., confidence; Rafferty, 2011) in their upbringing so that they indicate that they do not care for earning recognition through conspicuous possessions. They also developed some coping strategies that allow them to show their taste as well as compete for social status through moderate consumption. In other words, most of the informants indicated that they do not heavily rely on fashion to publicly signal who they are. Therefore, my interview guide was modified to include more product types into the discussion.

### ***Informants’ psychographic features***

Second, considering the once-privileged social position and constrained budgets of informants, I assumed that they would suffer from cognitive dissonance, which broadly refers to circumstances in which an individual simultaneously holds two contradictory thoughts (Festinger, 1957). I employed this theory and expected that informants would have aversive feelings aroused by the cognitive gap between their desired self-image (e.g., dress elegantly to signal status) and low purchasing power. As such, informants may be “forced” to make a counter-attitudinal purchase decision in which they knowingly shop for something considered inferior to accommodate their low budgets. For example, informants may no longer be able to

shop in the department stores but need to turn to mass-fashion chain stores. I assumed that such counter-attitudinal behavior and ambivalent mindset are associated with the booming “masstige” (short for mass prestige) positioning in the contemporary marketplace. Masstige appeals to “high-end feeling, low-end price,” which may be able to successfully transform individuals’ identity strain into a business niche. Masstige refers to products that are neither at the top of their category in price nor related to other iterations of real luxurious brands. They command a premium over conventional products, but are priced well below real luxuries (Silverstein and Fiske, 2003). Fashion brands such as ZARA, H&M, and Uniqlo can be categorized as masstige brands because they claim to provide the latest, runway-inspired, high-quality fashion with a relatively affordable price. In other words, for marketers, these masstige brands could serve as a solution to consumers’ identity strain.

To explore the relationship between booming masstige brands and consumers’ psychographic features in downward mobility, I conducted interviews among advertising professionals in addition to new poor informants. However, data from both groups did not evidence the expected correlation. Although acquiring a fragmented and ambivalent identity, informants neither perform counter-attitudinal shopping nor embrace masstige brands to enjoy the “affordable luxury.” Instead, they still trade up for their ideal lifestyle. For budgetary concerns, they would rather compromise in quantity than in quality of products, which means they do not shop for inferior options to save money, but would rather have only few pieces of items that truly reflect their self-images. Besides, they do not consider masstige brands a substitute for real luxuries.

The data gathered in 7 interviews (3 in Taiwan, 4 in the U.S.) with advertising professionals further revealed that certain positioning strategies may not be developed from a deliberate consideration of the contemporary societal shifts. Although advertising professional informants are aware of the new poor phenomenon as well as the booming masstige positioning, they admitted that they usually do not have enough resources and agency to thoroughly examine societal shifts to inspire their daily planning work. For example, they may not have abundant funds to conduct primary and secondary research among their target consumers, but need to use previous cases as references or even rely on their “gut feeling” to make decisions. Furthermore, advertising informants’ reflections showed that their planning work is heavily determined by the

attributes of their individual brand accounts. Not every advertising professional would consciously consider the latest societal shifts for their accounts, nor do they feel they need to. For example, if their account is a brand targeting the “general population,” they do not have a tendency to think about how shrinking incomes might seriously affect the sales.

With this preliminary finding, I stopped seeking more advertising professional informants, as my broad proposition of the relationship between mass consumer culture and new poor phenomenon cannot be efficiently examined through a conversation with them. This does not mean that advertising professionals do not consider social reality when they attempt to convince consumers, or the assumption of the relationship between advertising, social reality, and consumer culture is wrong. However, the interviews with advertising professionals may need to be built on a more refined and nuanced inquiry, which means these interviews may not be the best method in the initial stage when the researcher tries to open up more dialogues and data. For example, in Chapter 4, I will present how new poor informants are versatile and resourceful shoppers who are able to and willing to pay more efforts to acquire the “best buy,” rather than taking advantage of deals provided by manufacturers such as coupon-clipping. Based on these findings, the researcher could obtain fruitful data by checking their validity in interviews with advertising professionals. The researcher could interview advertising professionals who sell products that new poor informants adore (e.g., travel) to discuss how the marketing tactics have changed over time in the industry (e.g., low-cost carrier, discounted ticket website). In other words, I believe interviewing advertising professionals would further our understanding of the topic, but considering the preliminary nature of this study, such interviews need to be better grounded on findings and maybe used in future studies. A full list of interview guide and informants’ profiles of advertising professionals can be found in appendix A and B, respectively.

### ***The relationship between advertising and social reality***

Third, viewing the relationship between advertising and social reality in a broader context, since the late 19th century, advertising can be viewed as an institutionalized power, which echoes as well as represents selected social realities. Examining advertisements could thus serve as a channel to explore the contemporary social values and see how some mainstream consumer discourse is created (Marchand, 1986; Strasser, 1989). Some may contend that it is difficult to determine the relationship between social reality and media representation, or to completely

speak for the intentions and thoughts held by the audience and advertisers. In other words, advertising narratives are constrained in terms of working as authoritative evidence. But Marchand (1986) argued that, with systematic, extensive, and historical document analysis, it is possible to view advertising to gain plausible inferences about popular attitudes and values. I thus proposed to conduct textual analysis of the advertisements of three masstige fashion brands, ZARA, Uniqlo and H&M, hoping to bridge the masstige positioning in advertisements and the contemporary consumer culture of income inequality.

However, the two changes mentioned above warrant modifications in the methodological design. Preliminary findings of consumers' trading up act, as well as marketers' passiveness in connecting their daily planning work to societal shifts, disqualified masstige fashion advertisements to be viewed as the cultural texts of social reality relevant to the new poor consumers. Therefore, I trimmed the proposed textual analysis and turned to focus on the empirical data gathered in interviews. Given that the lived consumption experiences and identity projects were the main focus of the dissertation, engaging with the informants was deemed the most appropriate method.

To sum up, I entered the field with certain theoretical assumptions and corresponding research designs (textual analysis, interviews among new poor and advertising professional informants). But as the study proceeded, some pre-determined methods and directions of research needed to be modified. In-depth interview eventually became the most pertinent method to address the refined research inquiry. In the following paragraphs, I discuss how I conducted in-depth interviews among new poor consumers—the recruitment, screening, data collection, and analysis.

### **In-depth Interview**

According to Seidman (2006), at the root of the in-depth interview “is an interest in understanding the lived experience of other people and the meaning they make of that experience” (p.9). In-depth interviews provide access for researchers to understand the context of people's behavior, as well as learning how people make sense of their own experiences (Seidman, 2006). This study aims to explore how consumers interpret and reproduce their identity in downward mobility through everyday shopping, and the in-depth interview allows the

researcher to gain first-hand data of informants' thoughts. The way we understand the coherence, depth, and density of the material each informant provides is hard to be reached by standardized and short interactions between the researchers and the subjects (Weiss, 1994). In addition, the in-depth interview is useful to explore new issues in detail (Boyce & Neale, 2006), which would be helpful to conceptualize the new poor phenomenon happening in the Great Recession.

In order to gain data with deep and extensive insights, interviews may need to sacrifice uniformity of questioning. However, since an interview is a conversation with purpose, rarely can we say any interview is unstructured (Weiss, 1994; DiCicco-Bloom & Crabtree, 2006; Legard et al., 2003). In the present study, semi-structured interviews were conducted to combine structure and flexibility, in which informants were encouraged to share their thoughts without being constrained by a pre-determined direction so that all possible dimensions of the topic have a chance to be included.

The sensitive nature of the research topic is also a concern when choosing the research method. A one-on-one interview protected informants from unnecessary pressure when they talked about private issues such as salaries and personal backgrounds. In this way, new poor informants may be more willing to straightforwardly share their thoughts.

### ***Recruiting informants***

A primary concern of recruitment is the number of informants that are needed to obtain “enough” data. There is no straightforward answer. According to Seidman (2006), two criteria can be used to determine the amount of informants. The first is sufficiency. We need “sufficient numbers to reflect the range of participants and sites that make up the population so that others outside the sample might have a chance to connect to the experiences of those in it” (p.55). The second criterion is saturation of information, which means that the researcher begins to identify recurring themes and no longer expects to learn anything new even if talking to more informants. In other words, the number of informants cannot be pre-determined. In the process of data collection, after the completion of every 2 to 3 interviews, I conducted reflective exercises to gain insights for future interviews, and checked the data against these two criteria. The data collection was completed after interviewing 20 self-defined new poor informants (11 from Taiwan, 9 from the U.S.).



Purposive sampling, also known as judgment sampling, was used to select informants. It is the most common sampling technique for qualitative studies by which the researcher actively selects the most productive sample to answer the research questions (Marshall, 1996). The sampling here may come with a different connotation than how the term is commonly used in quantitative probability sampling studies—not every member of the population has a known, non-zero probability of being chosen to allow generalizability to larger populations. The technique of purposive sampling is based on the assumption of qualitative study that not all people are equally good at observing, understanding, and interpreting so that some informants are “richer” than others and will contribute more to the study (Marshall, 1996). For example, in this study, some informants may be more acute to their marginalized roles in the production system and thus have more reflections on the income inequality issue. By talking to these “representative” informants, the researcher gains valuable and maybe more useful data.

These 20 interviews, conducted between mid-2013 and mid-2015, started with multiple recruiting messages posted on public forums (e.g., Craigslist, the newsletter of National Communication Association) as well as the researcher’s social media pages (e.g., Facebook, LinkedIn). Among those who replied to my message and showed interest, I went through a screening process to select the most suitable informants, which is further explained in the following section.

### ***Screening process***

The new poor term refers to people suffering from various kinds of structural change (Lu, 2007). By such a broad definition, the new poor informants may come with diverse backgrounds so that the structural forces which pushed them into the current social position need to be sorted; otherwise, these diverse new poor experiences cannot be well addressed and discussed in the scope of the present study. Thus, I do not simply recruit any informants who identify themselves as new poor, because such subjects could include refugees or natural disaster sufferers, who do not provide the most useful data for this study. Among those who replied to my recruiting message and showed interest, I applied several criteria to find the most suitable informants.

First, I made sure that informants are homogeneous in terms of demographic characteristics that are believed to be associated with the new poor phenomenon, while being

heterogeneous in those characteristics that are less stressed in relevant discussions. For example, since the new poor phenomenon is a sweeping social problem faced by the younger generation, I targeted informants who are from the age cohort that were most affected by the societal shift. In addition, informants with higher educational attainment and white-collar professionals are favored because the diploma deprecation issue is also relevant to the new poor phenomenon. In contrast, variables such as gender, ethnicity, and residential area are not considered strong contributors to an individual's new poor experience. In terms of these variables, I selected informants with diverse backgrounds to ensure their experiences do not reflect a skewed perspective of living in a particular socioeconomic condition within a specific place. I selected informants from different areas, such as the urban area, the rural area, and multiple cities, as well as informants with different gender and ethnicity.

I recruited informants between 25 to 35 years old. This age range was set because the cohort is affected by the rough job market in the Great Recession. Besides, Arnett and Fishel (2013) propose that there is an “emerging adulthood” between adolescence and young adulthood, which lasts from age 18 to 29. Therefore, I targeted people who are around 30 years old, as they may have achieved a level of maturity to be responsible for their financial decisions and consumption. To facilitate recruitment, I expanded the age span to include new poor consumers between 25 to 35 years old.

Considering these demographic and psychographic variables, all informants of this study have at least a college degree from a major university, while 12 of them have education beyond the undergraduate college level. They are all equipped as white-collar professionals and have at least one year of working experience, except one of them is a 25-year-old master's student, Helen. Their age ranges from 25 to 33 years old. The remuneration provided to each informant is USD \$30 (NTD \$1,000).

In total, 23 informants were interviewed, but 3 of them said that they do not consider themselves to be “new poor” during the interviews. Thus, their responses were not included in the final report. However, when analyzing the data, I used them as comparison cases. As Weiss (1994) notes, even if a statistical comparison is not possible, including a few comparison cases can “correct what would otherwise be a tendency to exaggerate the peculiarities of the sample that is the focus of the study” (p.31). The profiles of the other 20 informants are listed below.

<b>Pseudonym</b>	<b>Gender</b>	<b>Age</b>	<b>Site</b>	<b>Education</b>	<b>Occupation</b>
Amber	F	33	Taipei, Taiwan	Elite B.A. in Social work	Government employee/ Social worker
Calvin	M	29	Taipei, Taiwan	Elite M.A. in Culture and tourism	Travel agency employee
Danny	M	32	Taipei, Taiwan	Elite M.S. in Engineering	Computer engineer
Emily	F	28	Taipei, Taiwan	B.A. in English and some graduate school	Voluntarily unemployed/ Participant of occupational training program sponsored by government
Glory	F	33	Kaohsiung, Taiwan	B.A. and 1-year language school in Canada	Self-employed in stock market
Helen	F	25	Kaohsiung, Taiwan	B.A. in Art and prospective master's degree	Master's student in Art
Irene	F	30	Taipei, Taiwan	Elite B.A. and M.A. Double major: Business; Information Engineering	Bank employee
Jessica	F	27	Taipei, Taiwan	Elite B.A.	Online store owner
Vivian	F	31	Taoyuan, Taiwan	B.A in Japanese language and culture	Involuntarily unemployed
Whitney	F	25	Ilan, Taiwan	B.A. in Sociology	Hotel employee
Wendy	F	28	Miaoli, Taiwan	M.S. in Bio-technology	Voluntarily unemployed to apply for doctoral program
Kathy	F	26	Illinois, USA	M.A. in Political science	University staff
Lily	F	25	Chicago, IL, USA	Elite B.A. in Advertising	Advertising agency employee
Mila	F	33	Illinois, USA	M.B.A.	University staff
Norah	F	31	Atlanta, GA, USA	3 M.A.s in Art field	Involuntarily unemployed
Olivia	F	26	Seattle, WA, USA	Elite B.S. Double major: Environmental	NPO staff A part-time job in tourism

				science; Political science	
Paisley	F	29	Wisconsin, USA	Elite Ph.D. in Communications	Prospective university faculty
Renee	F	28	Dallas, TX, USA	Elite M.A. in Public relations	University staff
Skyler	F	26	Pennsylvania, USA	Elite M.A. in Communications	Ph.D. student
Tracy	F	25	Illinois, USA	Elite B.A. in Media studies	Temporary position in educational business

### ***Interview setting***

Most interviews (12 out of 20) were conducted face-to-face as this form allows non-verbal interaction so that the researcher could obtain thicker and richer data. The other 8 interviews were conducted over the phone or Skype for reasons of economy and location. As Weiss (1994) points out, although informants may be more cautious about self-revelation in phone interviews, it is still the next best thing to being there. For Weiss (1994), talking over the phone usually resulted in a shorter interview than face-to-face interaction, which may due to the “shallower” connection between the researcher and the informant. However, my personal experience of conducting phone or Skype interviews is that it can be very efficient because informants seem to be more engaged and focused on answering questions. The duration is usually 2 hours for face-to-face interviews and 90 minutes for phone/skype interviews.

During the interview, I talked with the informants in their own languages (American English or Mandarin Chinese). This is because data captured in its natural form are preferred (Legard et al., 2003), and I believe informants would be more comfortable when they use their mother tongues. For a similar reason, I tape-recorded the interviews with the consent of informants. Compared to my quick note-taking, the audio files and the transcripts could better represent the contexts where data were gathered. I also accommodated informants’ preferences of locations so that they could be interviewed in places they are comfortable with.

### ***Interview questions***

In the beginning of each interview, I invited informants to generally talk about themselves, such as their family backgrounds and life stories. Then, although the interviews were semi-structured and interviewees were encouraged to share anything they considered relevant and important, there were several categories of questions that I made sure to include in the conversations. For example, informants' social class consciousness, family backgrounds, consumption preferences, and thoughts on the income inequality issue. A full list of the interview questions can be found in appendix A.

Generally speaking, to achieve both breadth of coverage across key issues, and depth of coverage within each, two types of questions should be included, which are content mapping questions and content mining questions (Legard et al., 2003). According to Legard, et al. (2003), content mapping questions are designed to open up the research territory and to identify the dimensions or issues that are relevant to the participant. For example, during the interviews, I invited informants to talk about their earnings, expenditure, and lifestyle. On the other hand, "content mining questions are designed to explore the detail which lies within each dimension, to access the meaning it holds for the interviewee, and to generate an in-depth understanding from the interviewee's point of view" (Legard et al., 2003, p.148). Some questions under this category were like—"you mentioned that you have a more expensive taste than your income, what does that mean?" "How did you feel when you cannot afford something that you used to have in your upbringing?"

### ***Data analysis***

The interviews were tape-recorded and later transcribed, which turned into 462 pages of single-spaced text. In the transcription, a pseudonym is assigned to each informant. Data analysis is a process of identifying patterns and themes that emerged so that the data can be "represented" by more and more inclusive but abstract concepts. Weiss (1994) indicated that there are four different approaches to analysis and reporting, depending on first, whether the report will focus on issues or on cases, and second, the intended level of generalization. The approach I took in this study was issue focused, with the expectation that the reports can be generalized, which constituted the usual sociological account (Weiss, 1994).

The “generalizability” of the study findings may come with different meanings compared with that of quantitative studies such as experiments and surveys. With respect to interrogation regarding why the study results are generalizable with a small amount of subjects and nonprobability sampling, Yin’s argument (2009) is illuminating. He draws on the method of case study and explains that “the investigator’s goal is to expand and generalize theories (analytic generalization) and not to enumerate frequencies (statistical generalization)” (p.21). As I examine the new poor phenomenon with a qualitative method, the study results are connected with other narratives that are based on similar theoretical propositions, instead of being applied to populations or universes.

Although I took an inductive approach to analyze data, I hesitate to say that this study has a pure grounded theory approach. Glaser and Strauss (1967, as cited in Maxwell, 2013) used the term grounded theory to refer to theory that is inductively developed during a study and in constant interactions with the data from the study. “This theory is ‘grounded’ in the actual data collected, in contrast to theory that is developed conceptually and then simply tested against empirical data” (Maxwell, 2013, p. 49). Rubin and Rubin (2012) explained that grounded theory consists of two steps. First, coding the basic themes found; and second, using axial coding which brings together, in either explanatory or process-related structure, a theory that relates to the data. However, I entered the field with concepts from existing theories and attempted to test them against the data, which was not a typical grounded theory approach. For example, during the interviews, I used traditionally-defined social class demarcations and theoretical concepts (e.g., forms of capital) to discuss informants’ consumption practices, instead of only building up a theoretical framework grounded in the actual data.

### ***The process of identifying recurring and significant themes***

Data analysis involves four phases. It starts with coding, a process of re-naming data fragments with concepts or ideas that will appear in the report. The transcripts were coded using multiple coding methods (see Saldaña, 2013). I first employed attribute coding to describe informants’ demographic characteristics such as their residential area, income level, educational attainment, and occupation. Next, I used eclectic coding that encompasses various approaches to analyze the data because it is suitable to discern a variety of phenomena and issues that are related to new poor’s fragmented social class consciousness. I mostly used descriptive coding to identify topical

dimensions instead of simply to summarize informants' expressions, as well as initial coding to break down data into discrete parts to compare the similarities and differences among them. I also used in vivo coding to capture informants' identity and interpretation. For example, in the passage below, I identified three in vivo codes when Amber described her economic standing.

*When I was tied up with my families, I think we are near poor,[near poor] near poor class are not qualified for subsidies. But our income level was not okay. Now I am making money but I became the new poor,[new poor] even in general my job is considered stable and not low-earning,[stable job] I cannot accumulate any assets in this society.*

Furthermore, I used emotional coding to support the description of informants' inner feelings. Four emotional codes are assigned to the passage below in which Vivian talked about the feeling of being unemployed.

*Vivian: My profession aside, I would say I have great working attitude, and I am nice to people, [confident] I really felt that I would work for a big company in a decent environment. [promising] But it did not turn out that way. I have a former colleague now works for...her Japanese proficiency is not as good as mine. I don't know why, maybe she is pretty or something. [confused][cynical]*

In the second cycle of coding, I used pattern coding to generate more meaningful, parsimonious, and abstract units of analysis. These pattern codes hold merits as major themes to develop the discussion.

The second phase is sorting, which refers to a process of putting topical units together. For example, codes such as "shop for sale" "free shipping" "smartphone application for discount search" were categorized under the topic of "money-saving tips." These seemingly sporadic shopping practices were connected to each other and indicated that informants have developed particular strategies to cope with their low earnings.

The third phase is local integration when a researcher chooses a main line of story to present and summarize all relevant details about it in order to bring coherence and meaning to the files. Using the same example of money-saving tips, in this stage, I looked into and interpreted the meaning behind the money-saving consumer behavior. The data revealed that

informants' purpose of using these tips was not simply for money-saving, as the products they purchased were not necessities but small luxuries. The meaning of these money-saving acts was to retain the most of their money and to shape their purchase into a "best buy." Such acts contained more proactive meanings if compared to traditional money-saving tips such as coupon clipping. In other words, informants took a more proactive role in shaping transactions into great deals, instead of passively choosing low-price products.

Finally, in the stage of inclusive integration, the researcher knits the other isolated areas of analysis that result from local integration into a single coherent story (Weiss, 1994). An example of inclusive integration is the juxtaposition of "money-saving strategies" and "class-based privileges." Informants' creativeness and resourcefulness in shaping the best deal is based on their non-economic capitals such as technology literacy (search for smartphone applications) and language proficiency (shop on foreign websites). These deals thus are not available to all low-income consumers, but only those who have relatively high non-economic capital. Therefore, such a coping strategy can be viewed as a capitalizing act, in which informants skillfully used their non-economic capital to compensate for their lack of economic capital.

### **Summary of Method**

This study takes a qualitative and inductive approach to conduct 20 in-depth interviews among self-defined new poor informants in the U.S. and Taiwan. This methodological design allows a more holistic and inclusive perspective in exploring a relatively new issue. Through purposive sampling, 20 informants who are believed to be able to provide rich data were selected. During the interviews, the researcher strived to capture data in a natural and context-based form. Interviews were transcribed into 462 pages of text, followed by four steps of data analysis: coding, sorting, local integration, and inclusive integration. Data analysis is the process of constantly organizing and searching for more inclusive and abstract conceptualizations to represent the data, based on considerations of potential connection to relevant theories, as well as the proposition of the research question.



## CHAPTER 4

### FINDINGS

#### Introduction

As discussed previously, scholars have noted that those variables related to one's social class (e.g., occupation, income, education) are not always well correlated with each other (Coleman, 1983; Henry & Caldwell, 2008). For example, although social class is typically determined by one's income, in Mihić and Čulina's (2006) study, social class, measured by one's occupation, education, and income, can be used separately from income to precisely predict different consumer behaviors (Mihić and Čulina, 2006). In this dissertation, I do not investigate the implication of each variable separately. Instead, I examine consumers' identity to reveal ambivalent class-related characteristics, which do not yield an explicit social class consciousness, as a mechanism to reproduce their social class in consumption practices. The discrepancies in social class composition are not quantified as indices across multiple levels, but viewed as a whole, as a fragmented, fluid, and transitional social class consciousness. The discussions are situated in the context of middle-class downward mobility, in which those who "fall from grace" to become the "new poor" have acquired incongruent levels of capital in their identity and thus do not see themselves to be associated with a particular class. I consider the intersections between social class and consumption on the basis of consumers' subjective experiences and identity exploration. Such a perspective is a departure from dominant social class and consumption studies, in which social class is defined in standardized, objective means to be either used as a static concept to account for lifestyle variations, or dismissed as an obsolete notion because of upward mobility and diluted social class differences in the contemporary society (Henry & Caldwell, 2008).

Social class, for informants in this study, still structures their consumption behavior. However, it does not operate in a traditional way that assumes a static relationship in which an individual's lifestyle, class-based characteristics, and self-identity are consistent. Instead, informants acquired a fragmented and fluid social class consciousness in the experience of downward mobility in which they see themselves fitting with none or more than one social class. In other words, if marketers measure the social class of these informants based on some selected

variables (education, income, etc.), they are likely to view these consumers in a way that is different from how they think of themselves and thus, the marketers fail to see the whole picture.

In this chapter, I discuss those recurring themes that have emerged from the data to answer the research questions— *(1) How do the new poor interpret their identity and experience in downward mobility, especially in terms of the potential incongruent class-based capitals? (2) If and how do the new poor cope with and reproduce their fragmented social class consciousness in everyday consumption?* I first discuss informants' subjective experiences of social class consciousness when they comprehensively consider all of their class-based characteristics. Subsequently, I present informants' new poor status by analyzing their perceptions of capital in the changing socioeconomic order. Then, informants' consumption practices are discussed in terms of what they buy, how they buy, and why they buy. These dimensions reflect a careful consumption practice: the new poor are calculative and resourceful shoppers who develop coping strategies and narratives to reinterpret and recalibrate prevailing and mainstream socioeconomic valuation.

### **The Emerging New Poor Class**

In their study of middle-class consumers in Sweden, Turkey, and the U.S., Ulver and Osberg (2014) suggest that consumers' mobility experiences make them elusive to define based on traditional and static consumer segmentations. The new poor class discussed in this dissertation also exemplify such consumers in their life transitions. Holding ambivalent class-based capitals from their once-privileged social position and their current less-privileged status, the new poor have acquired a fragmented social class consciousness. These various dimensions yield incongruent social class implications, so that they do not see themselves fitting with a group in the conventional social class hierarchy. Below in the quote from Skyler's reflection, we see how she does not perceive herself "qualified" to be a member of any social group.

*Skyler: Definitely I don't feel that I belong anywhere. I think that I'm too educated to be able to confidently and comfortably interact with working class people, people who didn't go to college and don't really make a lot of money. I feel overeducated and I feel I might make them uncomfortable, I speak too sophisticated around them and talk about things and the things I am interested in and care about are different because they're just focused*

*on getting by and I'm trying to do research about these crazy things. But, at the same time, here we can get really cheap tickets to the ballet. The normal tickets are \$70 or more and we can get them for \$16 so I go to the ballet a couple of times a year. I definitely don't feel at home with those people. I feel like they can all see that I'm faking and I don't belong there. That's definitely something I will say is true is I definitely don't feel that I belong with any social group right now. (Skyler, F, 26, Pennsylvania, doctoral student)*

For Skyler, her social position and identity cannot be fully described by general social class demarcations. They are not in a fixed idea but rather a process.

*Skyler: It's difficult because I don't have a term. I would say it's more of a process like I'm a person in process of moving up the socioeconomic ladder hopefully. (Skyler, F, 26, Pennsylvania, doctoral student)*

When asked about their yet settled social class identity, informants usually compared themselves with middle class as well as multiple forms of underclass (e.g., the poor, near poor, and working poor), but this perception does not mean they see themselves in the halfway point between middle class and underclass. As Norah said, she has a middle-class background and good education while suffering from long-term unemployment. Due to low earnings, she moved back to live with her mother so that she seemed to have a middle-class lifestyle but can be categorized as poor “on paper.”

*Interviewer: How would you describe yourself if there's no such term (new poor)?*

*Norah: It's weird. If somebody pointedly asked me in an individual, separate from my family, separate from my mother, separate from my upbringing, like, “Today, hello, who are you on paper, what do your taxes say?” and I'd say, “Well, I guess I'm poor.” Technically I'm homeless.*

*Interviewer: You'd describe yourself as poor?*

*Norah: I mean, I would have to if somebody pointedly asked me according to my economic status and income. What do I look like on paper? I'm a very educated poor person, yes. I'm in an extreme amount of debt from school, I have no income, I have no*

*vehicle, I have no home, I have nothing. I would guess I'd just be poor. But as far as what I identify with, now that's different. I live in a nice neighborhood, in a nice home, with nice parents. I live an upper middle class lifestyle, but I, myself as a party of one, am poor. (Norah, F, 31, Atlanta, unemployed)*

Similar to Norah, if without the term “new poor”, informants hesitate to use other expressions to describe who they are. They cannot straightforwardly indicate a social class they see themselves belonging to, so they need to have the discussion under certain “conditions.” For example, Renee defined herself as poor but emphasized that this should be understood within the dichotomous framework of the poor versus the rich in the polarized income distribution.

*Interviewer: So how would you use a social class term to describe your situation?*

*Renee: ...I guess that's what I am thinking. That's what I am battling in my brain right now kind of talking to you is, is there a way to kind of...*

*Interviewer: Conclude everything?*

*Renee: Right, exactly, exactly. But I get where you are going with the new poor class...when I weigh it back and forth in my mind, I compare it to somebody who is wealthy and probably doesn't have to worry about the things that I am worrying about. I do believe that the middle class is just disappearing, it's either the poor or the wealthy, I do believe that, and so if you had to put me in a category, poor versus wealthy, I definitely would be in the poor. (Renee, F, 28, Dallas, university staff)*

Renee’s reflection reveals that social class cannot be easily determined by a single-dimensioned measurement. Informants employed a more nuanced view to break down their identities into separate parts. Their social class consciousness is constantly floating in between social class levels and conveniently concluded. For those informants who did not have the flexibility to use multiple social classes as references to interpret their experiences, it appears to them that there is something wrong with their lives. For example, Mila and Lily are confused with the fact that they have a full-time, white-collar job and simultaneously experience a “struggling” lifestyle. These two statuses, in the traditional sense, usually do not concur.

*Mila: I have not heard of that term (new poor) but I definitely felt like I relate to it...I owe about 80 to 90 thousand in student loans. In credit card it is about close to five thousand. I make under \$36,000 a year, so I live at home with my mom right now. Before I heard that term I just thought even though I have an education I don't make enough to pay for my bills and live on my own...I don't know if it would be middle class or not, I doubt it...I guess I don't have this idea. I don't see things in terms of class quite so much. I just know that I am not able to pay for things, pay for all my bills. (Mila, F, 33. Illinois, university staff)*

Lily earns even less than Mila does when she lives in the urban area where living costs are high. She feels like her income is just enough to support a basic, “struggling” lifestyle in Chicago.

*Lily: I felt like I was literally living paycheck to paycheck...I felt like I was struggling. I don't know if there's a term, but I was really struggling. It was this internal battle. I want to do these things but I cannot afford it and I shouldn't spend it and I'd feel guilty if I spent money, and then my friends made more money than me and I felt like “they are doing stuff, I want to do it too but I cannot.” I just don't know the word. (Lily, F, 25, Chicago, advertising agency employee)*

In general, informants' social class consciousness consists of multiple and contradictory indicators including occupation, income, educational attainment, life experience, family background, taste, value, access to resources, and consumption practices such as the residential neighborhood. The new poor may be unemployed or under-employed but have expensive tastes that were cultivated in their upbringing; they may engage in low-pay, entry-level, contingent jobs while having a degree from an elite university; or they may suffer from heavy student loans and live paycheck to paycheck but are resourceful in acquiring “middle class experiences” such as applying for grants to cover the costs of international travel. The discrepancy in their fragmented social class consciousness can be observed in multiple dimensions such as between educational attainment and occupation, and/or between lifestyle and economic status.

***New poor: a non-poor, non-middle-class status***

In the ambiguity, informants know better about who they are not than who they are. As social class confers a bundle of capabilities, practice, and beliefs (Owens, 2015), informants tend to use the poor and the middle class as references to indicate how they do not fit to either grouping. When comparing themselves with the poor, as implied by the naming “new poor,” informants do not identify with “the real poor.” Their economic standing is actually more like the “near poor” who live above the poverty line. Kathy, a former member of the Peace Corps who stayed in Swaziland for more than two years, has witnessed poverty and believes that the term “the poor” should refer to only those have urgent survival issues and corresponding values and lifestyles.

*Kathy: ...when I was Swaziland when I was still in the Peace Corps, I lived on less than two dollars a day and I was in the very bottom tier of poor. There were times where I ran out of food and all I had was flour and water in the house. I had to make bread with flour and water, that's all I had. We didn't have electricity. We didn't have running water. We didn't have access to healthcare....so I was extremely poor. My health suffered a lot because of the poverty...I learned what it is to live on less than two dollars a day. I've lived that for two years so I know what extreme poverty is and I know I'm very nuanced about what the mentality of being poor is...poor cultures around the world they show their wealth by showing physical wealth so they'll put columns in their house or they'll have a really nice watch or whatever instead of saving that money for the kids' education or whatever. Those are poor values that are universal around the world and you see that here in the United States too. Spending your money when you go to town on fast food or whatever it is. Those are very universal that spending the money when you get it because you don't know when you're going to get money again. I understand those are values of the poor. That's what makes me say that I have middle class values. (Kathy, F, 26, Illinois, university staff)*

For Kathy, poverty does not only imply an economic standing, but also a term about one's lifestyle, life opportunities, and value. Thus, the new poor informants are not the same as the poor even if they appear similar on paper. Regardless of the economic insecurity, the new poor informants still have a safety net such as a supportive social network and education to temporarily protect them from emergent survival problems as well as create opportunities to permanently leave the struggling situation. For example, many of the informants have the option

to live with parents when they lose their jobs, which means even if they were unable to pay for the rent, they would never be really homeless. In the new poor phenomenon, the case of “rich dad, poor son” is common. Calvin’s parents earn as much as triple his salary, so he feels that he definitely has less financial burden than those with a similar economic standing. His family background allows him more agency to do whatever he is interested in, which is a privilege that other low-income consumers do not have.

*Calvin: For those who come from a poor family, maybe they have to set aside a portion of their salaries to support their original family. Even if they got scholarship to study abroad, they may need to give up this opportunity because this means they need to stop supporting the family. They are capable of passing the exams and go abroad, but eventually they cannot go get another degree. We may look similar to each other, but there are some nuanced details, which means I am still covered by my original family. It seems not relevant, but the function is still there...I have a friend who is between jobs now, and I told him that you are just privileged. I mean, if your families are in debt and they need money right away, then you will take any job without considering your interest, future, career, etc. You will not think about your goals, your dreams, you just want to make money. (Calvin, M, 29, Taipei, travel agency staff)*

Another privilege that is believed to differentiate the new poor from the poor is their acquisition of higher education. All informants of this study have at least a college degree from a major university, while 12 of them have education beyond the undergraduate college level. Amber and Wendy both pointed out that “the emphasis and the capability to afford education for the next generation” is a middle-class characteristic, as higher education is commonly expected to pave the way to decent jobs and handsome salaries, which mean upward mobility (Roska & Levey, 2010).

*Amber: My parents would let us take extracurricular talent classes such as the piano class, they also stress education and degree. I think these are relatively middle-class... and even when we had economic problems from time to time, they never asked us to prioritize money-making or job-seeking. They never had this tendency. (Amber, F, 33. Taipei, government employee)*

In terms of intergenerational upward mobility, Berg (2011) contends that even if parents sometimes employ an alternative framework to define the upward mobility for themselves, they still define success of the next generation based on the dominant definition. For example, first-generation Moroccan immigrant women in the Netherlands may interpret informal education and increased self-reliance as “moving up,” but they still urge their children to attain higher degrees in the Dutch education system and to aspire for a career (Berg, 2011). Put differently, when it comes to intergenerational upward mobility, parents tend to use dominant measurements such as occupational prestige and educational attainment. While “benefiting” from such beliefs, the new poor’s educational attainment, ironically, did not bring anticipated upward mobility.

On the other hand, however, even with some privileges, the new poor do not consider themselves to be middle class. For informants, in terms of economic standing, the middle class lifestyle should be “having more than I need.” Middle class is not defined only by neat, narrow, income-based definitions favored by economists (Atkinson & Brandolini, 2011). “Middle class” comes with sociological connotations—having a good education, a stable career, and resorting to reasoning rather than violence to settle arguments—an approach driven by behavioral characteristics and socioeconomic criteria (Pressman, 2007). Similarly, middle class lifestyle could mean purchasing power (Levy, 1987); that is, earning enough money to get by without struggling, being able to afford health care, college costs, and the occasional trips to Disney World (Belli, 2007, as cited in Samuel, 2014). It also means security in income and living standards, as well as a reasonable hope for upward mobility (Strobel, 1993). In the contrast between middle class versus the new poor, informants believe that the former usually have a skewed view in perceiving the new poor phenomenon. Informants tend to think that they are facing a rough socioeconomic reality that the middle class of the last generation does not understand.

*Interviewer: How do you think about the way other Americans may perceive this? How do other Americans perceive the new poor thing?*

*Kathy: ...I think that many middle class, and lower middle class in particular, less educated middle class so blue collar, lower white collar, consider it a whining liberal sense of entitlement. That’s how I would say that they see it. Part of it is like if you read an article about I’m a graduate and I can’t get a job and then you read the comments*



*under the article, they're all from people that are like 'pull yourself up by your bootstraps' that kind of thing, and a lot of it revolves around student debt too...you see in these articles about we should just eliminate student debt. Obama should pass a law eliminating student debt. You read these articles and then underneath you read the comments where there's a lot of blue collar and lower white collar workers, especially white men, who are very angry and writing things like...no one ever helped me, I worked my way through college. It's like to some extent they don't recognize their own privilege. (Kathy, F, 26, Illinois, university staff)*

In other words, middle class is not always associated with desirable dispositions. Informants describe middle class as conservative, uncritical, and down-to-earth. They follow the social norms, believe in education, embrace a relatively traditional lifestyle, and do not consume solely for immediate rewards or intrinsic pleasure.

*Kathy: I think in terms of value I am extremely strongly middle class, it's just my parents made an effort to talk about class and money growing up as well and they instilled those values in me, in terms of saving, waiting, if you really wanted something think about it for a week, plan your budget and that kind of thing, so there was no immediate reward in my childhood. I never had immediate intrinsic rewards. I remember one time my brother wanted an electric guitar for his birthday and he wanted to learn electric guitar. My parents made him do market research and submit a 10-page essay about why he chose the model he chose. (Kathy, F, 26, Illinois, university staff)*

In this light, informants in this study on the one hand have largely subscribed to middle class values and lifestyle, while on the other hand stay skeptical to such beliefs because even with similar qualifications, they do not enjoy the same privileges in the new socioeconomic reality. They embrace, as well as dismiss, their similarities to middle class.

### **The New Poor's Devalued Capital**

Downward mobility has shaped the new poor into unique consumers for some privileges they acquired in their upbringing still retain currency (e.g., taste, knowledge) while others do not contribute to an economically secure adult life (e.g., degrees and diploma). These privileges can be understood in Bourdieu's (1986) analysis regarding various forms of capital—economic

capital, cultural capital, and social capital. As different forms of capital can be converted into each other (e.g., savings can be used to support the acquisition of a socially rare and distinctive skill), in the present study, informants' cultural capital can hardly be converted into economic capital such as wages. It should be noted that the cultural capital discussed here is mostly associated with informants' educational attainment, professional skills, knowledge, and disposition, and less related to other factors that may be also included in cultural capital rating such as one's occupation (Holt, 1998). In Holt's (1998) study, those who have high cultural capital should score high in terms of their occupation, education, and upbringing (measured by father's education and profession). By this standard, the new poor are not exceptionally high cultural capital holders, as they only score high in education and/or upbringing, but not occupation. Most informants have a low-level technical and low-level managerial position (e.g., hotel employee, university staff) or provide skilled services (e.g., social worker) in fields ranging from NPO, government, and education, to the service industry.

Informants play diverse roles in the production system in that they can be unemployed, self-employed, hold contingent work, or engage in stable jobs but underpaid jobs. In terms of income, some could have no income because they are between jobs, while others could earn a salary equivalent to the local average. (Informants were not required to disclose the exact amount of their salaries. Therefore, it is difficult to define the new poor based on a fixed range of income. The Taiwanese and the U.S. informants with the highest salaries, respectively, earn around \$25,000 and \$55,000 annually.) However, there was a recurring and common theme related to the difficulty of finding long-term, stable, "real" jobs that allowed them to "power the household and move up to another economic bracket permanently." They may also be stuck in stagnant salaries that are just enough for people to get by and cannot be used to "do anything serious." In other words, they may or may not be the "income poor," but they perceive themselves to be the "outcome poor" that is defined by the deprivation of material well-being compared with others in the community (Perry, 2002).

While informants' cultural capital does not convert into better living quality, the higher education degree may even impede their seeking of entry-level, low-pay jobs because they are overqualified. The commonly believed connection between education and employment is challenged, and advanced degrees are even discriminated against in the workplace. For example,

Calvin has a tourism-related graduate degree, but later when he worked for a travel agency, his background seemed to be understood as “a green tyro who does not know how to work in practice.”

*Calvin: ...We were told that as long as you study hard, go to good schools, good programs, you are promised a bright future. But the moment when I graduated from college, I felt that I was cheated. I worked so hard, but things didn't turn out that way. I tried to look for full-time jobs that I can learn real things, not jobs like serving as a tutor that consumes your capital to earn good salaries. Then I realize that diploma is not useful. Your salaries are not commensurate with your educational background. There were even discriminations...people felt that you know nothing more than studying, you don't know how to work efficiently, you know nothing, all your knowledge goes down to toilet...Your cultural capital does not promise economic capital. They would not appreciate your professional, they don't think you have professional skills. Degrees have been depreciated. I think licenses would be way more useful than a college degree. (Calvin, M, 29, Taipei, travel agency staff)*

Norah also feels that well-educated people are not popular in the job market, even if they are ready to take hourly-pay, part-time jobs.

*Norah: There are people with a lot of education and a lot of promise and a lot of qualifications that are out of work and I started to look around and feel like “it's not just me,” and I'm starting to notice that beyond racial lines, beyond economic background...I'm starting to believe it is a generational thing because I know a lot of college graduates now that just don't have work and are struggling...I tried to work at the cupcake shop up the street. I tried to work at the eyeglass place up the street. I mean, they don't want to hire you because they don't want to pay you more than 10 bucks an hour. They're like, “I'm good, I don't want to spend this much money in my budget trying to pay you because you're educated.” And I'm just like, “I just need a job!” And they're like, “Yeah, sorry. We'll pay this girl \$8 and she'll do it.” (Norah, F, 31, Atlanta, unemployed)*

Informants feel that they are facing a stricter bar for professional jobs. A graduate degree is just a basic requirement that makes people remotely employable. On top of that, job-seekers need to have relevant working experiences so that they can start work without additional training. In this way, youngsters freshly out of college have to start with paid or unpaid internships, or entry-level, non-professional, temporary positions to get into the business. This is consistent with Perlin's (2012) argument that to have a shot at the American Dream increasingly requires earning a college degree and struggling through an unpaid, or low-stipend internship that is associated with the devaluing of work, the exacerbation of social inequality, and the disillusionment of young people in the workplace. But even with these credentials of internships, youngsters can still be trapped in dead-end, low-wage jobs (Perlin, 2012).

*Kathy: The problem is there's not really work in what I want to do because all the positions are requiring five years of job experience, five years of management experience so there are no entry level jobs anymore. You have to come in with five years of experience. Well, where am I supposed to get those five years of experience or 10 years or 15 years or whatever it is to get the jobs that are the level of my degree? (Kathy, F, 26, Illinois, university staff)*

In addition, employers are also looking for versatile employees who have multiple professions, so that the new poor have to learn new skills such as a second foreign language on their own costs in order to be a more competitive candidate in the job market. In other words, after graduation, they still need to pay more tuition, efforts, and time so that they can become employable. For example, Vivian has a degree in Japanese language and culture, as well as six years of working experience including one year in Japan. But when she tried to find a new job with a better salary, she realized that she was not versatile enough.

*Vivian: When I was back from Japan, I thought my job-seeking would be smooth this time since I have more experiences and my Japanese proficiency has been sharpened...But in fact, in the interviews, they asked me if I have additional skills such as accounting. I was once interviewed for a translator job, and they asked me if I am familiar with the field of microbiology.*

*Interviewer: Microbiology? Why?*

*Vivian: That is a new factory and they have a new production line...That was a Japanese manager who cannot speak Mandarin at all, s/he asked me if I am familiar with microbiology...I understand that there must be many jargons and specific terms in each field and I am willing to learn...but eventually they told me they want someone with relevant experiences. (Vivian, F, 31, Taoyuan, unemployed)*

The rough job market is a problem in industry as well as in academia. Paisley remembers that seven years prior, a career in academia had not been notorious for the unemployment issue, so that she did not foresee that the guaranteed funding for the couple of upcoming years would potentially mean unemployment after graduation. Paisley's graduate life was prolonged because she could not find a job in time. In order to stay at school, she needed to do part-time jobs including pet-sitting to support the summer time without funding. Paisley thought that she could emotionally accept the fact that she is doing some drudge work when she is about to receive her Ph.D., yet an experience of unexpectedly seeing her committee member walking into the store where she worked forced her to face her true feelings and embarrassment.

*Paisley: ...I got several final round interviews so people were interested in what I was studying and people were interested in potentially hiring me, but I didn't actually end up getting a job. So I was feeling pretty demoralized about that, and then I sort of had to face my first summer without any type of summer funding money. And a lot of my friends just take out loans when that happens, and I was starting to realize that I didn't know if I was going to be able to get a really good job, that this promise that they sold us of "Work hard while you are in grad school and then you will get a job" just kind of doesn't seem to be true anymore....So rather than take out loans, I went out and got a couple of jobs.*

*Interviewer: So you mentioned retail jobs like \$9.5 an hour?*

*Paisley: Yeah. So that was the first job that I got. I applied just to work at this little art gallery and gift shop, and I hated it at first, I will say. It just felt like such drudge work, especially since the last time I had worked a retail job was in high school. I worked at a law firm...which was at least I was doing stuff that used my brain...*

*Interviewer: How did you feel about that, in that environment, that kind of interaction with your customers?*

*Paisley: ...most of the time I will say I don't really think about it because I am just kind of there, doing my job, and I am getting paid so it is what it is. I will say there was one very awkward time...I probably didn't handle this very well, but one of my dissertation committee members came into the store...So he was just sort of cruising around the store, and I kind of turned my back and busied myself cleaning something because I really didn't want to... (Paisley, F, 29, Wisconsin, prospective university faculty)*

Echoing Paisley's embarrassment, Norah feels that people need to have a real job to show that they are functional members in the society. Unemployed informants like Norah may avoid social situations because people may not understand the new poor problem and may consider them as "having something wrong."

*Norah: I think at first, it was hard so I think I was trying to hide. You get embarrassed...I think I avoided social situations. I did that a lot. I mean, a lot, a lot, for the first year or two...I got off of social media, I shied away from any friendships or anything like that...I would just be like, "I'm just going to kind of hide under a rock because I don't want you to know how disgusting my life is right now" and it was embarrassing because it was like nobody could understand. I think people would start to ask questions like, "Well, what are you doing now?" You don't have an answer of what you are doing now. If you go to church or go out and they ask "oh what's Norah in to?" Norah is broke. She's looking for a job. And people is like "What happened?" "What's going on with you?" "Why can't you find a job?" "What's wrong with you?" So you just hide because you don't have anything to say at these events...So I just would avoid friendships, I would avoid social situations, I would avoid going out, I would avoid having fun because it would help me save money, because I didn't have money to do it anyway, and it would also save me embarrassment and shame from having to explain...I didn't date. I stayed away from romantic relationships altogether because I was like, I don't want to explain, "Hey I live with my mother, I'm 30, I have no money, I'm extremely educated and I'm broke and I have no promising prospects for employment, so I'm sure that's very attractive, would you like to go out with me? You'd have to pay." You know what I mean? What do you say? (Norah, F, 31, Atlanta, unemployed)*

Paisley and Norah work in academia and the field of art, respectively. We may expect people like them to tolerate tentative poverty in exchange for material well-being in the future. According to Demetry et al. (2015), some “transitional bourgeoisie” would strategically live in poverty in exchange for their future identities and lifestyle. Graduate students and artists may take this strategy and view their current poverty as a stepping stone in order to become successful academics and artists. However, for new poor informants, the strong belief that fosters such expectation to help tolerate current frugality has been disillusioned. Their low-income status is less out of strategic poverty but more associated with devalued capital, lack of employment opportunity, and stagnant earnings.

### ***Working, without moving up***

Informants who already have a job do not need to constantly worry about finding the next contingent work to support their living for a few more weeks. But their stagnant salaries do not match the soaring living costs so that most of them are living paycheck to paycheck without ownership of durable assets such as houses and cars. As described by Vivian, she worked hard for years, but it felt like she was always driving in the slow lane, which means the job does not bring upward mobility to another economic bracket or social class. She gradually realizes that she is a “nobody.” Irene and Mila both have white-collar, nine-to-five office jobs in which employees are able to foresee their lives for the next thirty years, which is described as “terrible” because this kind of employment does not mean moving forward in any aspects of life.

*Interviewer: How would you feel if your plan (studying and working abroad) does not work and you keep having this salary and this lifestyle?*

*Irene: I think I will kill myself...my mom always says that I have a good job and I should be settled here, but I think it is terrible that you earn \$2,000 a month for your entire life...I am really sensitive with the “future” thing. Every time I think that I may keep doing this for the next thirty years I feel terrible. Maybe it is because I am not satisfied with the status quo so I don’t want to be settled here. (Irene, F, 30, Taipei, bank employee)*

The low-earning issue among some informants is similar to the working poor problem that even employed citizens can be threatened by poverty. The working poor are underpaid and

underemployed, and are not offered reasonable welfare such as overtime pay and paid leave. As Shipler (2005) described, the working poor move in and out of jobs that demand much and pay little. Cohen (2015) also noted that there are citizens who are working in positions such as bank teller and cashier but simultaneously they are on public assistance. As low-wage work seems to improve the unemployment rate, the hidden cost is that we have more near poor citizens who need taxpayers' support. For example, while graduate students are not usually perceived as poor, Kathy noticed that some of her classmates were on food stamps.

*Kathy: I had only paid \$800 a month and the only way I could afford to live was my parents actually live in the town that I went to graduate school. I actually lived with them and I paid them a small amount – a very, very small amount – of rent...Even living with my parents I couldn't live on \$800 a month, which very much surprised me because they also taught me frugal values, saving, don't go out to eat more than once every couple of weeks so that was very surprising to me. All the other graduate students I went to school with were all on food stamps and that was quite shocking to me that they were on food stamps. (Kathy, F, 26, Illinois, university staff)*

We may think informants who engage in contingent employment haven't yet hit rock bottom because "half a loaf is better than none." Their everyday lives seem to be okay—they earn more than the minimum wage, have a place to live and their basic needs such as food and health care are satisfied. But they are actually under the risk of being stigmatized as the outsider of the labor pool, which undermines their career prospects (Yu, 2012). In a highly segmented job market, taking contingent jobs, rather than staying jobless, generally decelerates individuals' rate of obtaining standard jobs. As contingent employment may be viewed as solutions to the high unemployment rate, its long-term effect is in fact disadvantageous on the workers' side (Yu, 2012).

As Irene said, life seems to be fine for now, but the hope for a better future is deprived. Irene and Amber are both employed in Taiwan, and their salaries have exceeded the national average (monthly wage approximate \$1,600 in 2014) in their late twenties. Their monthly wage is close to \$2,000 dollars, but Irene explained that she can never afford a small apartment in Taipei city even with the above-average salary. The absurdly high price of housing is a major complaint among Taiwanese informants. Taiwan is indeed one of the countries with the worst



ratio of housing prices to income that people need to save all of their earnings for 15 years to afford their own place in Taipei City, the capital of Taiwan (Haridasani, 2015). Living in one of the most unaffordable housing markets in the world, it is almost impossible for the new poor to pay for the down payment and mortgage to own an apartment. But even renting a nice room can be a heavy economic burden. Amber lives in a “ripped room” that the landlord divided his/her property into, so she hopes to move into “a real apartment.”

*Amber: I feel like even when I need to give some money to my parents every month, I should still be able to rent a small apartment, but I cannot do it for now. I mean 300 square feet would be sufficient, as long as it is not a room separated from a real apartment. It should be intended to be a real small apartment which comes with a washer and a small kitchen. But now in Taipei City, I cannot afford to pay the rent for such a small apartment. (Amber, F, 33, Taipei, government employee)*

If the situation is making people who earn more than the average feel desperate, then it is conceivable that those earning less can hardly live independently and have to live on “parents’ welfare.” The parents’ welfare, to some extent, is contradictory to traditional Chinese culture in which a proverb says “raise children to provide against old age.” In other words, out of filial piety, children are expected take care of their parents when they are old and cannot support their own living. Nowadays, even in Taiwan, where it is perceived to be associated with Chinese culture and collectivistic norms, such beliefs may have gradually become a utilitarian consideration of relative economic standing: Children may feel obligated to take care of parents if financially they are really more capable than their parents and if their parents do need help. However, as previously mentioned, the case of “rich dad, poor son” is common in today’s downward mobility, especially when the new poor informants are mostly from a middle-class family. Thus, even if some informants like Amber would regularly give money to their parents, the amount is usually not enough to be parents’ major source of income but “side money.” In addition, there are even more informants, either in Taiwan or in the U.S., who are taking advantages of multiple forms of family support. Some joined the trend of the “boomerang generation” to move back to live with parents when they understand that their incomes are insufficient to support an ideal, independent lifestyle. Others like Paisley live by themselves but receive gifts from parents from time to time.

*Paisley: ...I guess I would much rather spend my money on traveling to see my friends than I would on buying clothes. But that said, I do love buying clothes...Part of the reason I like going shopping with my mom is she buys me clothes. So, most of the time I am able to update my wardrobe for instance is based on shopping with my mom...and I actually sometimes feel kind of bad about it...my sister and I are like we really have to stop doing that... we don't really want our mom to think that she has to buy our love or that the only reason we like hanging out with her is because she buys us things. (Paisley, F, 29, Wisconsin, prospective university faculty)*

These new poor informants struggling to make ends meet reveal how poverty, in real life, “is an unmarked area along a continuum, a broader region of hardship than the society usually recognized” (Shipler, 2005, p.10 in preface). Their lowest stratum of economic attainment that protected them from emergent survival concerns, also pulled them into a vicious cycle in which they are always busy with getting without moving upward to another economic bracket.

### ***The new poor status: personal choice or structural force?***

The new poor status is believed to be shaped mostly by structural forces that are out of the individual’s control. The new poor generally refers to those become economically challenged due to structural shifts such as economic recession, instead of personal misfortune (Lu, 2007). They are those left behind in the new socioeconomic reality after “doing everything right.” Informants also consider the new poor a generational and sweeping problem—they believe it is more difficult for them than for the previous generation to balance between the ideal lifestyle and the real income, even when they are better equipped with various “tools” such as education, social supports, and professional skills. However, informants also admitted some personal responsibilities that remotely contributed to their unpleasant experiences. For example, the new poor would criticize the “discipline discrimination” phenomenon in which different professions are not equally respected in the job market, while confessing that they intentionally chose a not-so-lucrative major to address their interests and self-realization purposes.

*Calvin: I think I deserve more salaries ...I don't think I pay less efforts than those who have high earnings, it is simply because what I like and what I am interested in is not mainstream. It is not a field that the government wants to develop, it is not favored by the*

*policy, so I am marginalized into a less significant position. I am not paid an amount that I think I deserve, or equivalent to my efforts. (Calvin, M, 29, Taipei, travel agency staff)*

As Green (2015) discussed, the size of the middle class in different eras is largely determined by government policy, in terms of education, the mainstream and lucrative majors can be influenced by national development, which is beyond the individual's control. However, in Calvin's case, even if he was aware that his major usually does not promise a decent salary, he still chose to "follow his heart."

Similarly, Jessica used to work for leading brands in the field of consumer electronics, but she decided to leave the lucrative business in order to pursue her dreams by starting a career of running an online fashion shop. Thinking of her parents who own a trading firm that sells wires throughout their lives, she sometimes feels that her unstable lifestyle is the cost of choosing the occupation simply based on personal interest.

*Jessica: I think of my parents' era, they probably cannot choose what they want to do, they just want to make ends meet. I sometimes ask myself, "Do my parents really like wires so much?" (Jessica, F, 27, Taipei, online store owner)*

In other words, for some of the informants, they indicated that they are not trapped in the new poor position without any choices as they to some extent had foreseen that their choice would be "the road not taken." Informants do not just want to have a job, they also care about if they can be happy with the work and find meanings in it. This work attitude reflects a generational trend in the contemporary society. Twenge (2010) pointed out that millennial workers see work as less central to their lives and stress a work-life balance. As Whitney said, her dreams weigh more than her economic pressure, and she would not give up her life for work. Emily also believes that since work takes a significant portion of time in our lives, it should be able to bring income as well as happiness. Emily has had a few stable, white-collar jobs in the past, but she quit and now participates in a government-sponsored vocational training program for unemployed people in order to learn new skills that could bring more options to her future career.

*Interviewer: If you wanted to be a flight attendant or a translator when you were in school, is there a reason why you don't try to engage in these occupations now?*

*Emily: I can try that but I gradually feel that it is crucial to do something you are passionate with. Now I serve as an apprentice of jewelry design, and I am not sure how much my salary will be, but this is something I enjoy doing. (Emily, F, 28, Taipei, occupational training program participant)*

Another case that exemplifies the personal responsibility is that informants may prioritize their emotional needs, such as staying closer to families, instead of leaving for big cities for more opportunities. Mila, for example, decided to go back to her hometown to stay with her family after her father passed away abruptly. With an MBA degree, she cannot find a local job equivalent to her degree and working experiences, so eventually she ended up serving as an office assistant, which, in her words, is “boring and not challenging.”

From Mila’s case, we see that some new poor’s struggles that are commonly deemed a result of economic pressure may actually arise out of lifestyle choices. For example, it is commonly believed that the low birth rate in Taiwan is associated with the economic downturn and high housing prices (Hsieh, 2015). All of the new poor informants in the current study are not married and none of them have children. However, the data in the present study reveals that staying single is more out of personal lifestyle choices in their twenties and thirties instead of economic concerns. Actually, the new poor may still be in the so-called “emerging adulthood” life stage so that they are not eager to take on more responsibilities such as getting married and having kids. Arnett (2000) argued that people around 18 to 25 years old have left adolescence and are on their way to emerging adulthood, a period of time in which people explore their identities in terms of possibilities in love, work, and education, which results in instability (Arnett, 2006). Although my informants are older than the population of emerging adulthood, which focuses on 18 to 25 year olds, they may still carry these features because emerging adulthood is a life span that is not universal or immutable but culturally constructed (Arnett, 2000). Young adults may keep feeling “in between” regarding the reach of adulthood until the age of 35 (Arnett, 2006). Informants’ advanced education attainment have delayed the time of entering the job market, and they do not have a settled, satisfying position in the production system. They are generally not satisfied with their status quo so that they keep searching for opportunities based on optimism and self-confidence. These features of identity-exploration, instability, and believing in opportunities overlap with the characteristics of emerging adulthood

(Arnett, 2006). Moreover, adulthood is less associated with demographic transitions but more individualistic qualities of character such as becoming financially independent (Arnett, 2000). Thus, economically insecure informants may not consider themselves as mature adults and do not develop a corresponding lifestyle.

In other words, informants' identity and social class status reflects as much a generational trend and personal choices as the broader structural and economic forces. For example, informants' job-seeking abroad may be out of economic concerns as well as willingness to travel. For those cosmopolitan informants who have enough social and cultural capital to take on a working holiday or employment overseas, they are not just "pushed" out of the low-pay job market in their own countries, but are also attracted to the potential eye-opening opportunities in other advanced countries. Some lifestyle choices may not be completely voluntary, such as how the boomerang generation moves back to live with parents. But this living arrangement also becomes an option because of the tolerant societal trend— Stein (2013) indicated that more people age 18 to 29 live with their parents than with a spouse. As Arnett (2006) proposed, the social and institutional structures that once both supported and restricted people in the course of coming of age have weakened, leaving people with greater freedom but less support as they make their way into adulthood. Becoming adults is thus an individualized process so that individuals may need to rely on their own agency to arrange the best lifestyle for their fluid and constantly changing status quo. In this view, the new poor is not just trying to imitate or regain the middle class lifestyle. Their everyday experience is shaped by structural and socioeconomic forces as well as personal agency and contemporary value change.

### ***Overarching psychographic feature of the new poor: failed entitlement***

Beyond the age cohort and single status, informants share few demographic features. However, informants are commonly caught in "double binds" that the capital into which they have grown does not fit the changing field so that their skills and knowledge have been devalued (Gross & Rosenberger, 2010). I would argue that an overarching and significant feature of the new poor that sets them apart from others in a similar economic position is a mentality to interpret their experiences as "failed entitlement." In such interpretation, informants emphasize their personal endeavors and how these deeds would be rewarded in the old socioeconomic order. In other words, their sense of entitlement comes from their understanding of social norms and their

endeavors in following them. As their understanding of the “rules of the game” has been internalized, it could become part of their habitus with which they do not see themselves associated with the new poor status permanently. As Paisley said, she expected that at some point she would be earning a decent salary, which is more than double of the salary that her upcoming job will offer, but this expectation somehow is not based on a concrete sign but just her feeling that things somehow would work out eventually.

*Paisley: Yeah. I mean I do think that, and I hate to say this, but in some ways I do feel entitled to a better life because I have worked so hard on my education and because I have tried to be financially responsible, and yeah, I mean that was really hard. So I certainly do have an expectation even still, even though I realize now that I might have to actually leave the academy or not pursue further academic jobs in order to reach it, but I do have an expectation that at some point I will be living much more comfortably than I can now. Certainly, when I hang out with my friends from college who are attorneys, they are making a lot of money...and I don't know that I will ever be that comfortable, but I do expect that at some point I will be making \$80,000 or \$90,000 and be able to live comfortably. (Paisley, F, 29, Wisconsin, prospective university faculty)*

Paisley's narrative shows how informants' sense of entitlement is formed through personal endeavors in compliance with social norms. The downward mobility that the new poor experienced does not happen in a “concrete” manner,” i.e., a precise, tangible factor that accounts for their economic shifts such as layoff, divorce, or natural disasters. It would only be salient when discussed in the contrast between old and new socioeconomic realities. Therefore, it is hard for informants to understand why they are “punished” simply because they tried hard to succeed. This is similar to what Owens (2015) observed in the socioeconomic shift, in which capitals possessed by the higher classes do not always operate in a more advantageous way than those of the lower class. In the present study, the fact that informants are followers of social norms such as the American Dream or the counterpart narratives in Chinese culture may help them gain success in the old socioeconomic reality, but now it impedes their adaptation to the new socioeconomic reality. In other words, the informants believed that through education and working hard, they could gain social mobility; yet, in reality they are unemployed with high student loan debt. These cultural beliefs in vertical mobility have been proven to account for

citizens' economic behavior, such as the relatively low saving rates of U.S. households (Wisman, 2009). Based on the same belief, informants did not perceive social hierarchies as immutable and instead believed that social class mobility can be obtained through personal endeavors. In this vein, although the new poor appear to struggle with their economic insecurity, the thing that they really have difficulty dealing with could be the collapsed cultural norms and challenged personal beliefs.

*Irene: We were not wealthy, I would say we were below average, but my mom was very willing to spend on the education of my sister and me. We did very good in school and we always go to the best school...then we go to National Taiwan University...we were born in a small town, then we go to schools in Kaohsiung (the second largest city in Taiwan), then Taipei (the capital city in Taiwan)...my sister did good in school as well, she is a dentist.*

*Interviewer: So you rely on education to...*

*Irene: To change our lives, yeah, kind of...and I could not imagine that I study so hard, I have always been a good kid, now I am stuck here and cannot live in the way I want. I think it is a feeling of lost. I feel I cannot achieve it no matter how hard I try. (Irene, F, 30, Taipei, bank employee)*

Their sense of entitlement, cultivated in their upbringing, their endeavors, and the social norms were not fulfilled in the workplace. In the next section, I discuss how new poor informants proactively perform such a sense of entitlement in their consumption practices by creating narratives and coping strategies to “enforce” the conversion between their non-economic capital and economic capital. Holding a strong sense of entitlement and some class-based capitals, their consumption behavior is distinct from that of other low-income consumers.

### **The “Compromised Ideal Consumption” of the New Poor**

As employing the standard indicators of the production system such as occupation and income can be a too convenient and simplified means to understand the new poor, I argue that the consumption approach reflects a more comprehensive consideration of their self-identities and various capitals to better capture their social position. In this section, I demonstrate how the new

poor's consumption is unique and can be viewed as "compromised ideal consumption" in which the informants trade up for the ideal lifestyle within a confined manner. Informants tend to shop for "light," small luxuries for relatively short-term usage in a casual manner for personal pleasure. They also develop corresponding narratives to signal their capitals and compete for status via moderate consumption. The compromised ideal consumption will be discussed in terms of what they buy, how they buy, and why they buy. The new poor informants' consumption practices operate in a similar way such that their interpretation of product selection reflects a constant balancing attempt between their relatively high non-economic capital and the lack of economic capital. Figure 1 illustrates how incongruent levels of capital have shaped informants' unique consumption practices, which are distinct from those of the low-income underclass as well as the financially secure middle class or new middle class consumers.

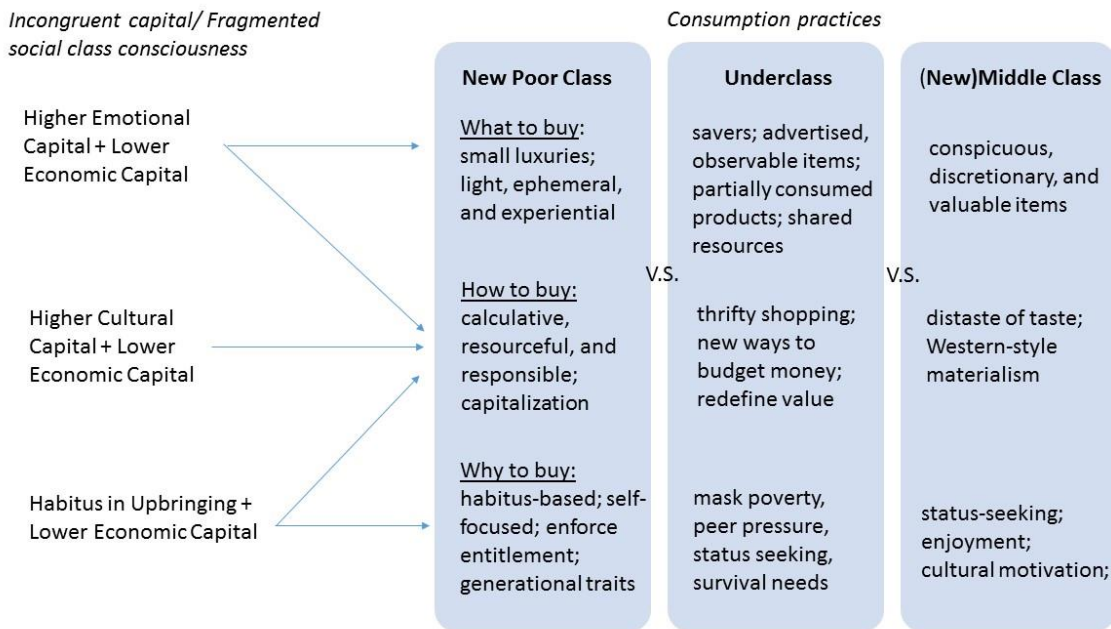


Figure 1: Incongruent capitals and the new poor's consumption practices

### ***What they buy: trading up for small luxuries in moderate consumption***

Consistent with their transitional and fragmented social class consciousness, informants' product selection reflects neither their economic standing (e.g. thrifty shopping, generic products) nor their once-privileged background (e.g. trade up for a middle-class lifestyle). Compared to the



middle class, informants are not able to afford big assets that amass values for potential appreciation, so that they view the ownership of houses or vehicles a middle class privilege. According to the data of the Pew Research Center in 2013, youngsters under 35 years old reduced substantially more debt than older adults did during the Great Recession, which is mainly because they have fewer houses, cars, and lower credit card balances, while student loan is the only major type of debt that increased in prevalence during the period of time. None of the informants in the present study own real estate, nor do they feel they will be able to do so in the near future. They have difficulty in making long-term investments or saving plans. In other words, the shrinking income *per se* can be a powerful indicator to interpret part of their economic behavior. As Thompson (2014) indicated, the younger generation's aversion to home-buying, auto loans, and savings is conceivable if we take the falling wage into consideration.

However, informants did not completely retreat from the luxury market to accommodate their low earnings. Unlike other low-income consumers who may develop problem-solving strategies such as searching for a supermarket's own label goods to save money (Miller, 1998, as cited in Hamilton, 2012), informants still cared about an overall living quality so that they trade up for as many product types as they could. Rarely would they consider counter-attitudinal shopping, in which consumers knowingly shop for products they consider inferior to save money (Seymour, 1986). Instead, they would only purchase products they adore albeit the desire would be confined by a price range. For budgetary concerns, informants would compromise in quantity rather than in quality. As Jessica said, she would spend \$200 dollars on a coat she adores, instead of a whole bag of clothes that she is not really excited about. Mila explains how she prefers to have a couple of really nice pieces when her taste has exceeded the level of her purchasing power.

*Mila: Consumption is an interesting thing because I feel like my consumption is higher than what I am sometimes capable of paying for.*

*Interviewer: Can you describe that for me a little bit more?*

*Mila: Quality is more important to me than the amount of things, than the quantity. I would prefer to have like...a couple of really nice pieces rather than have several of cheaper things. That's end up being what I end up having do to because I can't just go*

*and spend a thousand dollars on a bunch of nice things...because I worked at a nicer women's clothing store so I got to see the difference in having nicer clothing and how much nicer it fits, how much longer it could last, how much better it washed up. (Mila, F, 33, Illinois, university staff)*

Similarly, Irene prioritizes quality in shopping and the trade-off is that her purchases are limited to few basic items. For her, each transaction can be viewed as a brick to build up her ideal lifestyle, so that she is reluctant to include anything unfit for the blueprint.

*Interviewer: So what kind of consumer are you? How would you describe yourself?*

*Irene: I would say I don't spend money often, but if I find something I want, even if it is expensive, I would still buy it...I spend a lot on housing, the rent in that neighborhood is expensive. I don't usually buy clothes and shoes, but I am stubborn and I insist on wearing high-quality pieces. For example, I want my sweaters made of cashmere, and shoes should be made of genuine leather...I can only afford basic items such as clothes and shoes for now, but with \$5,000 (her ideal monthly salary) I would be able to buy a necklace. (Irene, F, 30, Taipei, bank employee)*

Informants' consumption activities are moderate, compromised, and calculative trading-up acts. In general, there is no particular product type that is favored by all of them. Product types that they valued range from international travel to taking a French class. Due to individual differences, the product category valued can be physical goods (e.g., clothing), ephemeral experiences (e.g., travel), and/or lifestyle choices (e.g., healthy diet, neighborhood). Before conducting interviews with informants, I had assumed that fashion would be the most appropriate product type to focus on since it is imbued with many symbolic meanings and can be viewed as a formation and exhibition of self (Goldsmith et al., 1999). Informants' transitional identity can be best examined through how they "perform" themselves with outfits. However, fashion turned out to be only one product type that informants may or may not care about, and it does not appear to come with particular significance as the most visible or important consumption good.

*Kathy: If I spend maybe \$200 every three months and I'm spending maybe \$800 a year in clothing and coats and accessories.*

*Interviewer: Compared to other consumptions, is fashion a big part or...?*

*Kathy: Oh, it's pretty small. It's probably less than food, way less than food.*

*Interviewer: Where did you spend your money mostly? On which items?*

*Kathy: Travel. Travel is the most expensive one. I've been doing a lot of traveling lately because I just relocated back here in September and I take at least one trip abroad every year so that's about \$2000 every year...that's all my savings that I'm spending on a trip so it's a choice I make to spend it on travel and to see people that I care about in different parts of the world. Before that I was traveling a lot to Germany to see people I cared about in Germany. That's how I spend my money in other ways that other Americans would stay in one place, I travel.*

*Interviewer: Fashion is never splurge? It will never be a...*

*Kathy: Fashion is never a splurge. It's always a save. It's always a big save item for me. A splurge may be like I go out to eat sometimes. That would be a splurge I guess...Part of it, again, I think is a Midwestern value of humility. For us showing ostentatious wealth is actually embarrassing...my father's father lived in the suburbs of Chicago and that's where my dad was raised back when it was middle class and it wasn't mansions and it was just a normal neighborhood. The mansions were going up and going up and it was always so shocking to see that people actually lived like this. It was very shocking to me to see the big houses and be like "oh my god aren't they embarrassed, don't they want people to think they're hardworking?" ...I think it's very much maybe a farming value that I've inherited. I've talked with other friends that come from more rural parts of Illinois, more farming backgrounds and they feel the same. We've talked about it a bit and they feel the same as I do and then sometimes friends that come from different parts of the country have a much more cavalier attitude toward luxury items, even electronics. I don't have an iPhone, I don't have an Apple. My laptop cost me \$300 from Wal-Mart and I'm never updating until it breaks. (Kathy, F, 26, Illinois, university staff)*

One of the few overarching features of informants' product selection is that they prefer "light," small luxuries, which refer to non-durable, high-quality goods or experiences for the

relatively short-term including the entry-level alternatives of luxurious brands/services. Taking fashion accessories for example, informants may be able to afford a scarf on sale from Burberry but not an overcoat. Besides, for Taiwanese informants, a trip to Japan that costs \$1,000 would be a good alternative when they are unable to save up for a pricey airline ticket to Europe.

These acts of consumption are not for “real and traditional luxuries” such as buying sports cars, designer clothes, and caviar (Yeoman, 2011), but they reflect how consumers indulge themselves in such subjectively constructed luxurious experiences to remotely carry out their ideal lifestyles within some selected dimensions. As Bauer et al. (2011) argued, luxuries are not interpreted in the same way by marketers and consumers. For the latter, luxuries could mean a product, an experience, or an act that helps consumers to feel good about themselves as well as to feel their ideal self. Luxuries are not always associated with conspicuous possessions or constructed symbolically. Instead, they can be essential and self-related to serve the purpose of supporting individuals’ identity projects in their everyday lives (Bauer et al., 2011). Instead of being marginalized in the consumerism society, new poor consumers proactively sustain and construct their ideal lifestyle and indulge in small luxuries, which can be disconnected to social class and conspicuousness while having intimate connection to the consumer’s self (Bauer et al., 2011). For example, Helen compared her shopping habits with those of her parents to indicate that she is willing to pay for short-term, pleasant “experiences” while her middle-class parents prefer durable goods that can be used for a long period of time. These ephemeral moments mean a lot to Helen for reasons of self-realization instead of utilitarian concerns.

*Helen: My parents were very willing to spend money if we are buying something helpful for our school work and our job. They would rather spend \$3,000 dollars on a laptop than on international travel. They feel like if you go for travel it is like \$3,000 would vanish in a few days. But I am different...I would rather spend on travel than on a laptop. You will always have the opportunity to buy a new laptop, so when my current laptop still works, I would prefer travel.*

*Interviewer: Why is travel important to you? Does it come with a significance that your families don’t understand?*

*Helen: In my parents' era, they focused on finding a job and building up a family, they don't really pursue individual dreams. As for me...I want to see the world. I previously visited Paris, and I saw Van Gogh's paintings...and I also stood in front of Mona Lisa's Smile after seeing it for so many times in the books. I can see it in person, that makes the difference...I think travel is great, you don't need to be at home all the time. Travel seems to mean danger for my parents. (Helen, F, 25, Kaohsiung, master's student)*

Informants pursue luxuries even if their meanings are only significant to themselves and cannot be recognized in the social norms. As their consumption reflects more how they would feel comfortable with themselves and less about creating an image for others' gazes, they do not expect a drastic change in consumption objects even if they leave the new poor status and become economically secure in the future.

*Paisley: I mean I think I will probably, once I have more money, still tend to shop at places like J.Crew, or Banana Republic, or the Ann Taylor LOFT, because those are styles that I like. And I think that because my mom and I like to shop for fun, we feel really good about getting a good deal for instance so that I probably still look at sales racks when I go to places, but it would be nice first to not feel like I can only shop on sales racks. I always look at everything that's not on the sale rack, but know that I can never buy anything that isn't for sale. So yeah, I don't think that the brands I would buy would change all that much, but to be able to buy one to two new things a month and not have to worry about it for my budget is what I am looking forward to. (Paisley, F, 29, Wisconsin, prospective university faculty)*

Although it seems like informants would be able to save money if they could cut those “unnecessary” expenditures, they tend to prioritize and enjoy shopping. They usually do not have a strict savings plan and the savings would simply mean the remaining side money at the end of each month. However, given their economic standing, informants realize that these shopping trips can be “unethical,” so certain narratives are developed to justify their consumption behavior. In the next section, I will discuss how the new poor's consumption is justified by class-based narratives and coping strategies.

***How they buy: a calculative and resourceful enforcement of non-economic capital***

As discussed earlier, the new poor in this study tended to trade up for small luxuries in a compromised manner. In explaining their consumption practices, what emerged from the data were corresponding narratives and coping strategies that informants developed to perform their capitals through moderate consumption. Informants on the one hand reproduce their non-economic capital—mainly cultural and emotional capital, a positive emotional resource instilled in upbringing (Rafferty, 2011)—in consumption by stressing “shopping literacy” and responsible shopping, while on the other hand “capitalize” their advantages to compensate for the lack of economic capital so that they can afford products that should have been out of reach. In other words, in the field of consumption, informants are resourceful and creative to carry out the conversion among various capitals that has been denied in the workplace. From their product selection, new poor consumers appear to be lighthearted spenders who indulge themselves in the upper middle-class lifestyle. However, a close examination of their narratives and coping strategies reveals that they are actually calculative in configuring their resources and capabilities to access their ideal lifestyle with the minimum economic cost. In the following paragraph, we first take a look at how consumption is influenced by the possession of strong emotional capital.

*Emotional capital: strong sense of security and responsible shopping*

Informants in this study revealed a strong sense of emotional capital that can be viewed as a heritage from their once privileged social position. According to Rafferty (2011), our emotional tendencies are heavily shaped by the environment in which we grow up, and emotional capital describes the positive emotional resources such as love, devotion, support, and understanding that parents and elders invest in children in an effort to equip them with advantages in their lives. Our sense of worth or other negative feelings such as anxiety are often correlated to our social position. “While class relations may not typically be a context that is reflexively employed by individuals to comprehend their own sense of self, or to question why they act in the ways that they do, it is clear that the conditions that structure their existence (in terms of restrictions on capitals possessed) can still prove to be in varying ways either psychologically and emotionally damaging or advantageous. This, inevitably, manifests in their behaviours” (Rafferty, 2011, p.245).

A strong emotional capital allows the new poor to keep faith in their future and prevents them from losing self-worth in harsh socioeconomic realities. The new poor tend to interpret the

status quo as transitional and they are able to stay optimistic with their own future. Interestingly, they are pessimistic with the generational new poor problem, but somehow they believe their individual future will be better. Even if now they are burdened with economic problems, they do not see themselves as associated with long-term poverty. Some may argue that the optimism is not exclusive among new poor informants. Weinstein (1980) indicated that people have a popular idea that they are more invulnerable than others and labeled such irrationality as unrealistic optimism, which is associated with not only anxiety reduction but purely cognitive errors. However, informants in this dissertation indeed expressed negative feelings toward the new poor status in which they feel lost, helpless, frustrated, depressed, worried, and clueless, but they also show great capability in believing in themselves through strategies such as separating their identities from the struggles. Norah explained how her optimism is not inherent but more a capability (emotional capital) to ease herself with faith so that she would not give up easily.

*Norah: This lifestyle sucks and if I got wrapped up into what I'm not making and not doing and not accomplishing, I would be extremely depressed and extremely down all the time because I would be feeling like I'm never going to get out of this hole, I'm never going to get out of this. I no longer feel like, because I mean, I could easily get on drugs or I could easily start drinking or I could easily turn to something unhealthy to cope with these circumstances that are unpleasant. (Norah, F, 31, Atlanta, unemployed)*

Therefore, since the new poor in this study believe the economic struggles are neither permanent nor a central part in their lives, they do not focus on saving for a rainy day in case their problems will be deteriorated. The emotional capital provides a strong sense of security that allows informants to be spenders. Emotional capital not only backs informants up in shopping, it also operates in another way as self-pride and self-control so that they do not shop irresponsibly. They distance themselves from those irrational shoppers and avoid going beyond their means such as using credit cards to shop for expensive products that they think they deserve but cannot afford. With emotional capital, they dare to buy, but it must be in a decent manner. Glory emphasized that she is a responsible shopper, which legitimizes her trading-up shopping under economic pressure.

*Glory: I feel it is always like you get what you pay for. If you are used to having fine things, it is difficult to use those products sold in the street and in the night market. I am*

*not saying I look down upon them, but the qualities are different. I am willing to spend more to buy clothes in the department store. It is based on my capability, I think there is no problem with it. I will pay my bills, I don't take out loans or whatever, this is important to me. (Glory, F, 33, Kaohsiung, self-employed stock dealer)*

Informants tend to interpret their lack of budgets and incapability to fully participate in consumerism as a moderate, rational shopping style, in which responsible consumers consume the “real value” of product/brands, not the logo or the price tag. They see themselves as responsible and smart shoppers who would not spend beyond their means. Even if they do not embrace a frugal lifestyle, they shop wisely and responsibly. For example, Renee judges those “\$30,000 millionaires” who spend extravagantly to “keep up with the Joneses.”

*Renee: There is also an inside joke here in Dallas that the yuppies or the young professionals that live here, they are the \$30,000 millionaires...meaning that most people that are young professionals here really are only probably making somewhere in the \$30,000 but are living way outside of their means...because Dallas is all old money, if you know anything about Texas, and the Houston area, that's where the oil companies are. But here in Dallas, you have some of that too, oil, energy, and old money, and so I think there is a lot of people that are young professionals and trying to front or pretend that they are making a lot more money than what they are, and I am not really interested in that. My thing is that I don't try to, that old saying, keep up with the Joneses. I am not trying to keep up with the Joneses. (Renee, F, 28, Dallas, university staff)*

*Cultural capital: an emphasis on shopping literacy instead of ownership*

While usually having expensive taste beyond their purchasing power, informants do not consider consumption a surrogate of social class. They do not believe that people would become more upper class simply because they spend like the rich. Meanwhile, rich people can be at a lower place in the cultural hierarchy. Informants thus interrogate the connection between one's economic standing and his/her social class, and doubt whether those who are able to consume have enough cultural capital to know the value of those products. As Holt (1998) proposed, in today's postmodern consumer societies, consumption patterns could still act to structure social classes if we focus on consumption *practices* instead of consumption *objects*. For example, in



terms of consuming mass cultural texts, high cultural capital holders would critically read popular entertainment such as film and books as entertaining fiction, while low cultural capital holders tend to take a referential perspective to read the texts as realistic descriptions of the world that are potentially relevant to their lives (Holt, 1998). Put differently, people with higher cultural capital could signal social class difference even when they consume mass cultural forms that are available for everyone. Holt's argument is supported in informants' narratives, in which they stress a "right" way instead of a "right" price to consume.

*Calvin: We usually think one's economic standing would dictate the social class, but for us, the younger generation, you have different social classes because of your taste, which is not associated with economic standing. Some people are rich, but they spend a lot of money on tacky things, then they are at the bottom of the taste hierarchy...on the other hand, some people are admirable because they can use limited resources, and abundant creativities and aesthetic tastes, to endow objects a value beyond the price. In the cultural hierarchy, in terms of leisure activities, I have some friends who are rich and are always talking about numbers. For example, they would say I spent how much for that dinner and how much on that travel. It is like their consumptions would be meaningless and empty if not endorsed by prices...others may care more about the meanings behind the concert or the exhibition, they have a higher status in cultural hierarchy, I think I can better communicate with these people. The admission to these speeches and exhibitions can be cheap or even free. (Calvin, M, 29, Taipei, travel agency staff)*

The interrogation developed into a narrative that ownership and taste cannot be the reference for each other. Those who are able to consume may not be those who know how to appreciate the product/experience, and the latter are not less deserving than the former to have access to the product/experience. This narrative also implies that one is not inferior just because he/she is unable to afford a certain lifestyle. They tend to attach value with a "shopping literacy" that facilitates a tasteful and informed shopping practice, instead of ownership. Shopping literacy can be understood as a set of knowledge through which consumers are informed of how to appreciate the "real value" of products in the "correct way." Consumers are not passively marginalized in the consumerism society because of their limited purchasing power. Instead, they emphasize the knowing attitude to show that they are more "civilized" and capable

consumers than those followers of consumerism, even if they cannot afford real luxuries. Calvin used the example of a group tour versus backpacker travel to explain how backpackers are more capable in consuming the multiple meanings of travel, while group tour participants are economically advantageous but “impotent.”

*Calvin: There is a huge gap between backpackers and group tour participants. We travel in a frugal way, like homeless people and we eat like...so others may even feel like why are you doing this to yourself? Why sleep in the airport or stations? But you feel good about yourself. Backpacker travel needs a lot of capitals, the first is language proficiency. You also need to have guts, which were accumulated in your experiences. Backpacker travel is good because you really stand on that land with your own feet, you explore into those alleys and see more and understand more. You stay as long as you want, you interact with local people who have different cultural and ethnical backgrounds...Those who always travel by joining group tour are impotent in travel...I sometimes look down upon them because they cannot do what we can do. (Calvin, M, 29, Taipei, travel agency staff)*

Different products require a different shopping literacy to consume. As Calvin believed that the value of travel lies in the interaction with local contexts, Renee indicated that the “rule of fashion” is mixing and matching your own style, not worshiping high-end brands.

*Renee: ...if you are somebody who truly understands fashion, you understand the mixing of high and low fashion...sometimes we laugh at those who don't because they think it's about having designer outfits on from head to toe, you know what I mean? A designer handbag, designer shoes. If you really understand fashion, you understand that you can mix a pair of blue jeans from Target with the Versace top. (Renee, F, 28, Dallas, university staff)*

Calvin's and Renee's reflections reveal that informants emphasize shopping literacy with which they believe they are using cultural capital to consume tourism and fashion in the “right” way. However, such narrative could also serve as a coping strategy in order to alleviate the aversive feeling aroused by the new poor lifestyle. Although informants tend to claim that they would not drastically “upgrade” their lifestyle even if they join the middle class array in the

future, this does not necessarily mean that they enjoy their current lifestyle. In other words, while informants appear to be able to support their identities through moderate consumption, such practices and interpretations could be a self-justification act as they suffer from cognitive dissonance, which broadly refers to situations in which an individual simultaneously holds two contradictory thoughts (Festinger, 1957). For instance, a smoker may believe that smoking does harm to his/her health so that the desire for cigarette becomes contradictory to the longing for health. In the case of the new poor, their perception of an entitled, economically secure lifestyle contradicts their limited choices in the field of consumption. Thus, they need to revise their attitudes (e.g., to form a more favorable attitude to backpacker travel and mass fashion) to be more consistent with their behavior to alleviate dissonance (Bendersky & Curhan, 2009). However, such self-justification does not mean that informants' value has been adjusted to accommodate to the low-earnings and the corresponding lifestyle. As Gawronski and Strack (2004) suggested in their experiment-based study, while individuals' explicit attitude could change because of the dissonance manipulations, their implicit attitude remains unaffected.

The flip side of stressing shopping literacy is sometimes looking down upon those who have “more income than class” and show off wealth in the consumerism society without appreciation of the real value. For example, Whitney works for a luxurious hotel and Calvin works for a travel agency, so both of them have plenty of opportunities to see how luxurious the hedonic consumptions of middle or upper class consumers could be. The interactions with wealthy consumers do not result in an uncomfortable feeling. Instead, they distance themselves from that sort of consumption; they hold a negative attitude and feel those other consumers are like a “fooled audience.”

*Calvin: I don't appreciate the way they spend extravagantly and show off the wealth, for example, some may say that they went to Dubai and stayed in the sailboat hotel (Burj Al Arab), and I was thinking, “So what? What did you see?” My imagination to their travel, I said imagination because I have never been there, my imagination is that they will have fancy banquets and see some luxurious architectures and enjoy luxurious facilities. But they don't explore local culture, and they don't have knowledge regarding local history, geography, and culture. Their understanding may be like zero. I think they can only see the surface, the things that the travel business wants tourists to see. They are like fooled*

*audience, who cannot see beyond the curtain and see how everything works behind the stage. They are just sitting there as audience. That's how I think of them. (Calvin, M, 29, Taipei, travel agency staff)*

Whitney also detached taste from ownership and indicated that compared to those consumers who are crazy for brands, her taste does not need to be supported by actual consumption.

*Whitney: I have the taste and the capability to afford some basic, small, branded products, but I don't feel I need to wear those stuffs to show my values or to create an image. Some of my colleagues are really crazy for brands. If there are sales, as long as they can afford it, or probably they cannot, they would use credits to buy. I think my taste has achieved a level but I don't think I have to own or to use those stuffs to support myself. (Whitney, F, 25, Tainan, hotel employee)*

That said, the awareness to differentiate ownership and shopping literacy is not inherent. Norah admitted that at first it was hard to face that you cannot afford things in the way you used to, but she gradually detached her value as a person from the ownership of nice things. For her, not being able to buy certain things does not mean she does not deserve them.

*Norah: So I think it's hard because you program in your mind, "I can afford this" but you can't now, so you have to reprogram your mind to say, "Today's a new today and today you cannot afford Coach purses, you need to put that down, you cannot wear Michael Kors, you may like that, but you can't afford \$300 for a purse anymore." And so it's hard to tell yourself the truth about who you really are and you look for ways to make excuses about who you really are now versus who you used to be. I think it helps me because it helps me remember, "Hey, who you really are is on the inside, it doesn't really matter what your bank account looks like, you're not uneducated just because you're broke, you're not not talented just because you can't find a job, and you're not less of a person because you live with your parents or because you're down right now." You have to just remember if anybody tries to make you feel like that, you can't own that, you just have to remember your identity is separate from your economic status. Just because you don't make this amount of money doesn't mean, or you can't acquire nice things doesn't*

*mean that you don't deserve them or you won't get them one day or whatever. (Norah, F, 31, Atlanta, unemployed)*

Disconnecting one's economic standing and consumption from their social class allows informants to compete for social status through not buying (or buying less). Staying away from mainstream commodities and not having something that others have, can be interpreted as not being materialistic and not blind. As we may assume that the new poor would live a frugal lifestyle but invest in conspicuous consumption to create a middle class façade, informants judge those who overdress themselves with flashy and loud products because they do not want to “look wealthier than they really are.” They avoid building their identities on brands and products, but incorporate shopping into their everyday activity as a way to casually and moderately practice their internalized values and taste. Take Jessica for example, she prefers showing her taste without logos. Through an obscure and low-key manner, her taste is only “visible” to those who also know how to appreciate the real value of fashion pieces.

*Jessica: I don't like Abercrombie & Fitch or Louis Vuitton, you know, people take a glance and they know which brands you are wearing...I don't like that. I read a news story and it is close to my idea that the real luxury is to show your taste without logos. For example, Bottega Veneta is famous for the weave. It is a concept, an idea, and I prefer this way. (Jessica, F, 27, Taipei, online store owner)*

In this light, informants' consumption is less about the pursuit of social prestige, but more related to reproducing their identities within class fractions through habitus, which is described as the “psychobodily mechanism that unconsciously mediates class socialization and expression of status through consumption” (Üstüner & Holt, 2009, p.52), or a world view derived from similar life experience and common image of the way of life appropriate for people of the same kind (DiMaggio, 2001). For example, Kathy feels that she is influenced by the Midwestern value of humility. “For us, showing ostentatious wealth is actually embarrassing.” Renee is also proud of how she has the “genuine” and “inherent” taste that she always unintentionally chooses the superb products.

*Renee: For whatever reason I feel like I have a very expensive taste. So I am the type of person that if a store is having a certain shoe sale, I will pick out the one shoe that's not*

*on sale, and I don't do it intentionally, I really don't, and people laugh at me and they always say, "You are your mother's child; that's how your mom is." (Renee, F, 28, Dallas, university staff)*

Besides creating narratives to stress their internalized value and taste instead of ownership, informants further support their shopping literacy through differentiating themselves from followers of consumerism. However, the differentiation is not always convincing, considering the fact that they on the one hand are not unwilling but incapable to consume as much as they want, while on the other hand they still pursue luxuries in their own means. Informants usually claimed that they hold a skeptical and informed attitude toward consumerism, which implies that they are not materialistic and would not spend money on products that are not worth the money. For example, Norah says that quality is the only thing that does not cheat, although this does not exclude potential pursuit of designer brands as long as they have good qualities.

*Norah: Even the things in the high end stores, I mean let's just keep it real, a lot of the stuff is coming out of the same factories, they're just putting different price tags on them. The concept of quality itself definitely exists, so there are better materials, there are things that are more well-made, there are things that are structurally more sound or better constructed than other things... You could make the same purse out of the same materials, but if you don't put Michael Kors on it and you sell it in Target or if you sell it in Macy's and put an unknown name on it, it could sell for half as much as it did unless it was a Michael Kors purse. I think the materials that are used and the way that it's constructed and all of that matters, so quality is a real concept that we should consider. (Norah, F, 31, Atlanta, unemployed)*

In Norah's reflection, we see how she re-directs the focus on brands to quality. This is a common narrative among informants that they do not consume the brand *per se*, but something intrinsic in the brands that corresponds to their shopping literacy. In other words, the new poor tend to interpret their brand consumption as accessing the real, concrete value behind branding narratives. They believe they shop with awareness and agency. For example, Helen is a fan of Apple products but she stressed that she did not become a MacBook user only because of the

cool and trendy image of Apple. Instead, she adores MacBook because she appreciates the functional design of Apple products that stands out in the laptop market.

*Helen: I would say for many people, they have the latest generation of smartphone with great functions and a large screen, but they don't know how to use the smartphone except browsing the Facebook and taking a selfie picture. But for me, I want to use it because it comes with such a good design, and the (iOS) system, these are the nice things that you should consume. (Helen, F, 25, Kaohsiung, master's student)*

Amber also pointed out that brands should be viewed simply as channels for consumers to be aware of commodities, which means we should critically evaluate the advertising messages instead of being led by those carefully crafted images and taglines. Amber explained that in the consumerism society today, we can hardly purchase generic products as most commodities are branded. In this way, brands *per se* do not promise benefits and it is pointless to care more about the label than the functional benefits.

*Amber: ...I would rather believe that the less marketing brands do, the less likely that products are overpriced. I mean for those brands who do not spend too much money on marketing, the prices may better reflect the costs. I would say I don't usually purchase something because of its ad. I may be aware of some brands because of ads, but then I will decide if I like the style or not. I don't care about how brands are positioned.*

*Interviewer: Can we say that you don't care about brands?*

*Amber: Yes. Brands help consumers efficiently know and get access to some products. So even if I don't care about brands, my purchases are about brands, this is because I don't know how to get access to those commodities that are not branded.*

*Interviewer: I see, but you would not reject a product just because it is not branded?*

*Amber: Exactly. (Amber, F, 33. Taipei, government employee)*

To sum up, the way informants emphasize their cultural capital and use it to compete for a social status is through the narrative that they are informed, autonomous and capable consumers who go beyond consumerism to consume the real value of products with pertinent

shopping literacy. Such narratives turned their moderate consumption into tasteful selections. When engaging in luxury consumption, informants did not “turn it up” to purchase loud, logo-laden products as Nunes et al. (2011) argued that consumers still demand conspicuously branded products in recession. Nor did they prioritize non-positional goods (less visible essentials such as food at home, housing, and health insurance) during economic contractions (Kamakura & Du, 2012). Their shopping practices are more consistent with Turner and Edmunds’ (2002) analysis of Australian high-status elites, who tend to display a range of cultural preferences instead of focusing on highbrow cultural consumption such as ballet and opera. They are not cultural snobs but cultural omnivores. What distinguished their status from other lower-class people is not a plurality on particular practices, but a comprehensive understanding and strategic knowledge of the most appropriate genre to use in a given social setting (Turner & Edmunds, 2002).

#### *Capitalizing on advantages to compensate for the lack of economic capital*

In previous discussions, we learnt that informants insist on purchasing light, small luxuries while saving those products out of their price range (e.g. durable assets, real luxuries) for the future. But before determining that certain items are out of reach, they will “capitalize” on their personal knowledge or advantages to compensate for their limited economic capital, so that they are able to access things that should not have been affordable to them. As Coskuner-Balli and Thompson (2013) indicated, consumers would capitalize their shopping to enhance the conversion rates of their acquisition of subordinate cultural capital. For example, in their study, at-home fathers embraced the idea that they provide economic value to the household by being thrifty shoppers in lieu of a steady income stream. In the present study, informants employed a similar strategy to configure their resources and capabilities in innovative and creative ways to reinterpret and recalibrate prevailing and mainstream socioeconomic valuation. They take a more active role in shaping their purchase into a “getting more than you pay for” bargain.

Informants capitalize their advantages to “enforce” the conversion between non-economic capital and economic capital in the consumption field, while such conversion is denied in the workplace. For example, informants’ educational attainment and skills do not facilitate their job-seeking or bring them better salaries. However, the advantages accumulated from their once-privileged position can be transformed into money-saving strategies so that they have more economic capital in consumption. Put differently, non-economic capital does not necessarily help



informants to earn money, but it helps them to spend money and/or save money on spending. A good example would be how these well-educated, resourceful informants have a cosmopolitan worldview that they are able to “buy in” from anywhere in the world. Jessica’s and Helen’s overseas experiences and second language proficiency allow them to shop online and purchase products from the country-of-origin. Although living in Taiwan, Helen would pay attention to the Thanksgiving sale in the U.S. and purchase products on U.S. websites to save money.

*Helen: Some brands do not have discounts in Taiwan, but they have discounts in the U.S. during the Thanksgiving sale, then I will buy it online, or search for discounts. For those website offers free international shipping, I will place an order as quickly as possible. (Helen, F, 25, Kaohsiung, master’s student)*

On the other hand, Emily would pay attention to overseas internship opportunities so that her “travel” can be sponsored by some organization.

*Emily: I went to Italy for 50 days to participate in an internship, I spend \$3,500 in total, and half of amount is sponsored by government. (Emily, F, 28, Taipei, occupational training program participant)*

Meanwhile, Mila used her technology literacy to download cellphone applications in order to learn the discounts and free products in her neighborhood.

*Mila: I like to go to Caribou Cafe sometimes...I don't like to go there all the time and I don't want to pay full price but if I look at my Hooked app and if they have half price lattes then I'll go. I feel like I'm getting more for my money just by doing that... I'm not buying coffee here because after I leave here I'll go get free coffee at Panera. It's just as a consumer what you're willing to do to get a good deal. There are other times that I'll go buy something at Panera so it's not like I'm going to bankrupt them. They make plenty of money, they'll be fine, but I do what I need to do to get the deals. (Mila, F, 33, Illinois, university staff)*

Just like Mila, informants are willing to put forth extra effort to save money. They are versatile and resourceful shoppers who are able to and willing to do more than taking advantage of deals provided by manufacturers such as coupon-clipping. Echoing their skeptical attitude to

consumerism, the new poor tend to believe that good deals are only possible when consumers “do not have things in the way they are sold to you.” Informants take a more active role in shaping their purchase into a good deal that generates the most value. Although “free coffee” seems to be a deal available for everyone, only those privileged, such as those having technology literacy and familiar with social media, are capable to obtain such deals constantly.

In other words, these money-saving tips may not be available for the real poor. Nice things are more attainable for the new poor than the poor, which is not all about the budgetary gap, but the capability to capitalize one’s advantages in the marketplace. For example, Norah explained how people with creativity and taste can “look like something” even with a low budget.

*Norah: As long as you can afford a little bit to keep yourself up, you can really look like something. Fashion is...it's more difficult when you don't have money, but it's not impossible...I mean, if you only have \$20, you can get something cute, when back in the day if you were poor, \$20 is not going to get you anything. I mean, you'd have to shop at the thrift store if you were going to do that, which worked for some people, but it didn't work for others. So I think nowadays, I think the acquiring things as far as credit, as far as the amount of money it costs to keep yourself looking good, is probably a lot more attainable for people who live in the poor economic bracket than it used to be. (Norah, F, 31, Atlanta, unemployed)*

Informants are not the “craft consumers” who personalize the products after the purchase, but more like “crafty consumers” who use creativity in the pre-purchase stage to devote time, efforts, and intelligence to discover the “best buy” or to ensure they are making the most of their money (Campbell, 2005). Such calculative and resourceful consumption is also a “trading up” act. Bauer et al. (2011) contend that luxuries should not be only defined in managerially constructed ways, as consumers may perceive luxuries as something “worth the money” in terms of a good price-performance ratio. The efforts consumers put into the trading up for little luxuries support their identity projects and are integrated into their ideal lifestyle in everyday shopping.

They way informants “enforce” their entitlement to achieve the “effect” (material well-being) of upward mobility can be viewed as a novel way to interpret and practice social mobility. As Berg (2011) indicated, Moroccan migrant women in the Netherlands employ an alternative framework to define their social position and upward mobility, as commonly-used indicators of formal schooling and paid work are not a realistic possibility to them. These women view informal education (language learning) without a diploma as well as self-reliance (autonomy, emancipation) as upgrading their social position. In this dissertation, informants also stressed a more informed, resourceful, and calculative role in the consumerism society, through which they became more capable consumers than the last generation even without the same economic standing. Applying the knowing attitude and shopping literacy, which are derived from their once-privileged position, can be an alternative interpretation of “social upgrading” that is not rooted in occupational prestige and economic standing.

#### ***Why they buy: self-focused practice of habitus***

Informants’ shopping is mostly for personal pleasure and to feel comfortable with themselves. Shopping is less of a means for pointed outcomes such as building social class differences and status-seeking. Instead, it is more out of habitus, which is practiced as the repetition or extension of the lifestyle they used to have or feel entitled to. For these new poor informants who had acquired taste and value long before having a corresponding social position, their consumption is less boosted by class-based consideration but instead by their sense of entitlement. As they fail to achieve a position in the production system that they feel entitled to, informants reconstruct such entitlement through material life in their everyday consumption.

For the informants, their interest in high-quality products may not be because of the social meanings attached to them, but because of the unintentional practice of their internalized taste. For example, we previously discussed how informants indicated that they do not rely on fashion products to create a middle class façade, and this may be due to the fact that they do not consider it necessary to signal who they are to gain others’ recognition. For them, shopping is not based on a deliberate calculation of how to impress others. Informants’ choices may reveal a middle-class taste, but this is not an intentional purpose but a habitus-based outcome. As Olivia said, compared to thinking of how to dress nicely, she worries about the opposite assumption:

When she just wanted to look presentable, people may easily think that she is from an upper class and does not need to struggle with money.

Informants are aware of the symbolic meanings of products and brands they choose, as well as how they might be perceived by others, but their consumption is mainly self-focused. As Lily said, she feels happy and delighted in shopping and if she has to cut expenditures, it is like “missing something fun in her life.” On the other hand, Tracy feels like that she needs to “feed her soul” with performing arts like musicals, especially when she is struggling with money. Amber also uses shopping to alleviate the mental burden resulting from the denied self-realization in the workplace. For Amber, shopping means a short break and something exciting in her life when there seems to be no promising future ahead.

Viewing informants’ consumption practices in a broader context, their shopping is not just based on personal preferences but also represents a coping strategy to the new and unpleasant socioeconomic reality. Their seemingly hedonic consumption actually has been compromised and calculated to balance their internal conflicts. For example, the way informants splurge on hedonic consumption under economic pressure seems unrealistic, and the YOLO (you only live once) lifestyle to allocate resources to immediate enjoyment and not save for the future may further deteriorate their financial disadvantages. But their consumption practices can be an outcome of a balancing between the desperate socioeconomic reality and their non-economic safety net. Facing great uncertainties of the future, they turn to immediate rewards. For instance, as Paisley’s new poor graduate life was prolonged because she could not find a job in time, she felt that she should spend in a more frugal way until she is hired. However, because of the rough job market, she is unsure about *when* is the end of the new poor status and decides to not put everything on hold.

*Paisley: I mean certainly when you are making \$1,600, it's really hard to save money. Even if you know you are going to be unemployed for the summer and you need more money, it's really hard to save that because you need pretty much everything you are making to pay your expenses...we sort of sign up for not making much money in exchange for the potential to make a lot more money later on, but it's also true that the longer my grad school career stretched, the more it became annoying to think about it as a time when your life is kind of on hold and you are just squeaking by. So I have tried to*

*sort of not think of it that way and to recognize that for now, this is my life...That just means that this is where I am right now, and that I am trying really hard not to just put my life on hold to still do things that I want and to still pursue relationships and to still have fun for instance. (Paisley, F, 29, Wisconsin, prospective university faculty)*

Some may contend that the new poor's consumption pattern is related to their traits of the millennial generation, a cohort born between the late 70s and the late 90s. Millennials are perceived to be more individualistic and narcissistic than the previous generation (Twenge & Campbell, 2012) so that they have a strong sense of entitlement and blame others for failure. However, instead of viewing new poor consumers as lighthearted spenders who behave like rich kids (Stein, 2013), I would argue that their consumption is a balancing act after fully considering their advantages and disadvantages in pursuing material well-being. For example, most informants believe that owning their own places is important and would help them to settle down. But as they clearly know that they are denied the opportunity to own durable assets, they turn to those light luxuries that bring immediate satisfaction. As such, it is exactly because of the understanding, instead of ignorance, of their position in the challenging economy that informants choose to spend in a knowing, calculating, and resourceful way.

## **General Discussion**

Informants' compromised ideal consumption is a balancing, calculative and resourceful coping act to address their incongruent capitals as well as the changing socioeconomic reality. Their consumption behavior, just like their identity, cannot be understood in the traditional framework of consumer segmentations. The distinctions can be observed in three dimensions.

First, informants' motivation of consumption is self-oriented and habitus-based. While some lower middle class families may prioritize observable consumption to demonstrate middle class status and distance themselves from the working class (Scott & Walker, 2015), the new poor suffering from the downward mobility of middle class cares more about how to be comfortable with themselves through consumption. Their pursuit of luxury or ideal lifestyle is out of a desire of fulfilling their self-identity, instead of seeking external recognitions. This is different from how previous scholars pointed out that low-income consumers or poor children would incline toward conspicuous consumption and advertised brands to mask poverty

(Hamilton, 2012; Elliott & Leonard, 2004). Their habitus-based consumption implies that there is little room to adjust their value to accommodate the constrained budgets. According to Hamilton and Catterall (2006), facing income reduction, consumers may change their perspectives such as re-defining the meaning of happiness, lessening the importance of possessions in self-identities, and using new ways to budget money for future. Although informants in this dissertation would detach their identity from the ownership to certain products, they do not simply withdraw from the accepted norms of the consumer society. They further stress that they are as deserving as others to have access to material well-being, and believe that they may even be more capable to appreciate the real values of luxuries if compared to those who “have more income than class.”

The new poor’s seemingly hedonic and luxurious consumption, which does not match their economic standing, is also a coping strategy to address the unpleasant socioeconomic reality. Unlike other low-income consumers, informants acquire a great sense of security even if they are aware of the financial pressure. Therefore, instead of putting enjoyment on hold, they turn to immediate reward to alleviate the identity strain. Such value strengthens their tendency of self-oriented consumption, echoes the millennial generational traits, and may even override the potential cultural motivation in luxury consumption. For example, the consumption practices of Taiwanese informants cannot be fully explained by the Confucian collectivist cultural tradition, in which conspicuous and valuable possessions (e.g., jewelry) are needed to concretize and communicate financial achievement, a central concern in the social hierarchy (Wong & Ahuvia, 1998). In addition, their consumption is not out of adoration of Western-style materialism, which is aspired among higher cultural capital holders in less industrialized countries (Üstüner and Holt, 2010). As Stein (2013) contended, due to globalization, social media, and the exporting of Western cultural and the speed of change, the younger generation may share a similar worldview and they are more similar to another in other countries than to older generations within their own culture. Thus, the eagerness to restore the “failed entitlement” through self-oriented consumption is an overarching psychographic feature that mediates Taiwanese and U.S. informants’ consumption practices.

Second, consistent with their motivation, their consumption practices reflect a low level of need for status-seeking. Even if they sometimes pursue the quality of branded items or trade

up for “small luxuries” (e.g. travel, healthy diet) when budgets are available, they prefer not to signal their taste with loud and ostentatious symbols. In other words, despite their constrained budgets, they are the “patricians” who pay a premium for inconspicuous branded products that, at most, can only serve as a horizontal signals to other patricians (Han et al., 2010). Through embracing a wide range of consumption practices with various cultural meanings, as well as stressing the “correct” way of consumption (shopping literacy), they show a “distaste of taste” (Turner & Edmunds, 2002), in which highbrow cultural activities such as classical literature and opera are not the only orthodox means to signal taste. Such disposition is different from the new middle class in emerging markets, who are not eclectic and subversive in their consumption but are conscious about propriety and alignment with the “middle” (Kravets & Sandikci, 2014). New poor informants enjoy consumption as an end in itself, as well as holding eclectic taste of various cultural goods, which is described as an “intellectual mode” in Jarness’ (2015) classification.

However, for the new poor, the distaste of taste is probably not developed as other cultural elites who are able to signal social class difference through mass cultural forms (Holt, 1998). Such tendency should also be discussed along with their lack of economic capital, and could be understood as a coping act to alleviate the potential cognitive dissonance aroused by “failed entitlement” of material well-being. Stressing cultural capital in their consumption is a means to allow them to compete for a social status through moderate consumption or even no consumption. Informants develop a unique way to use cultural capital as leverage to enhance social status: Their cultural capital does need to be signaled through ownership, but lies in the knowledge, literacy, attitude, and entitlement to consumption. In this eclectic narrative, both their moderate incomes and class-based privileges can be addressed. The paradox is further evidenced in their capitalizing act, in which they use their advantages to compensate for the lack of economic capital in order to obtain goods that should have been out of reach. The act of capitalization reflects the reality that they are neither consumers with strong cultural and economic capital, nor the lower class (who are not capable to do so). They are not like other low-income consumers who engage in thrifty shopping such as looking for savers in street markets or mail order catalogues (Kempson et al., 1994), or the poor who search for partially consumed products (second-hand leftovers) and share resources with others in the community (Hill & Stamey, 1990). Informants are resourceful consumers who are interested in shaping transactions into good deals, which were not intended by manufacturers. Through such capitalizing acts,

along with their remaining capitals, the new poor group does not resemble the poor at all even if they may appear to be equally incapable to marketers.

Third, even with some class-based advantage that can be turned into money-saving strategies, the new poor informants may be more vulnerable than they appear. According to Hamilton (2012), the low-income consumers who strategically engage in consumption to mask poverty, may fuel the stigmatization that they set out to avoid in the first instance. Although informants in this dissertation do not take attempt to mask poverty through conspicuous consumption, the effect of their capitalizing act may still reinforce the consumerism and backfire to result in a more vulnerable status in the future. Informants are capable to access some products and experiences that should not have been affordable to them, but these trading up shopping experiences do not include durable assets that bring economic security in the future. For example, compared to the new middle class in emerging economies such as China, Brazil, and India, where consumers' shopping has shifted away from food and toward housing, transport, and other discretionary consumption such as fashion, recreation and education (Guarín & Knorringa, 2014), the new poor's consumption practices are rather personal, ephemeral, and experiential.

Thus, compared to the poor, the new poor have more money and resources to shop for their needs and wants, but compared to the middle class, their consumptions practices are doomed to be limited to small luxuries in the immediate context that cannot contribute to a permanent and sustainable lifestyle. As Gross and Rosenberger (2010) said, "The habits of their upbringing have ill-prepared them to strategize in the world they live in today as poor members of society (p.67)." In addition, their advantageous, non-economic capital may keep depreciating over time. For example, the safety net of family support cannot be permanent, and their self-worth and confidence may be further challenged in long-term unemployment. As such, their shopping may result in a vicious cycle that pushes the new poor into a more disadvantaged social position. Figure 2 illustrates that the way the new poor interpret their devalued capital as a failed entitlement, and their attempt to capitalize remaining advantages through consumption, eventually reproduce their underprivileged social position in downward mobility.



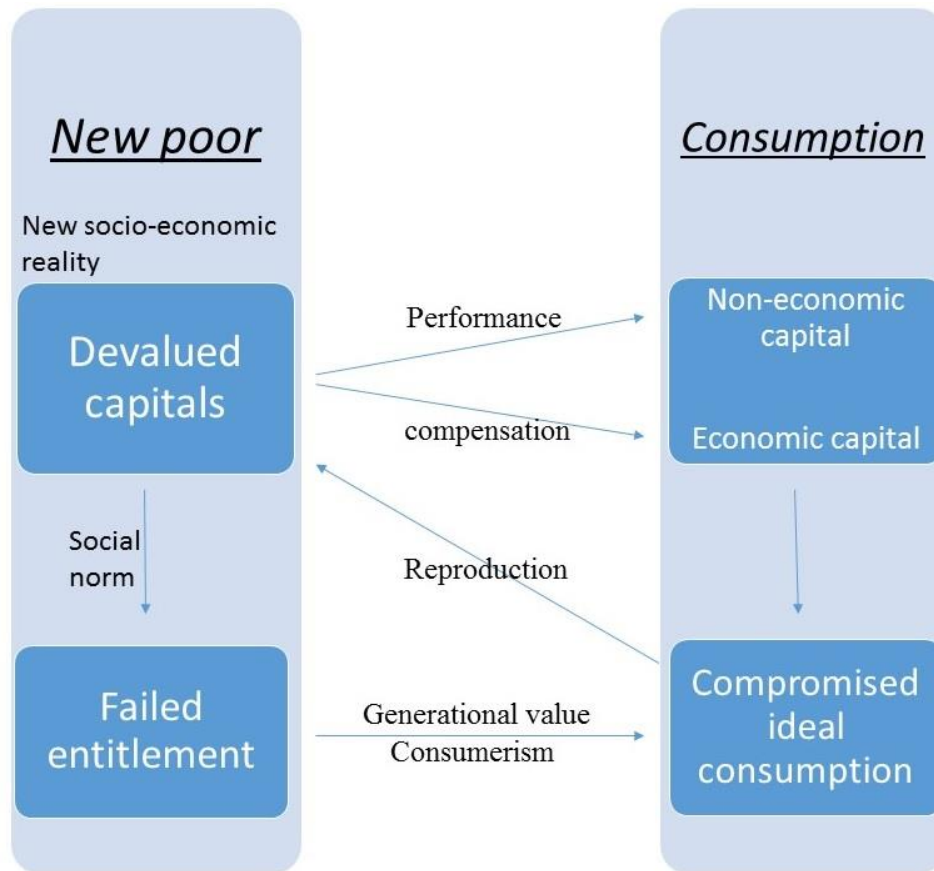


Figure 2: Reproducing the new poor status in consumption

### Summary

Informants in this study exemplify new poor youngsters who “did everything right” (e.g., educational status) but for the first time, are associated with undermined economic standing and its accompanying problems. In this downward mobility, their economic capital and non-economic capital do not match. Instead of defining themselves based how they look “on paper,” informants interpret their social position as “failed entitlement” since they did not anticipate a struggling lifestyle given their endeavors to pursue success in the former socioeconomic reality. As they fail to secure a satisfying position in the workplace because of devalued capital, they proactively reconstruct a lifestyle congruent to their habitus in consumption. Influenced by current financial limitations and capitals accumulated in their once-privileged position, they perform “compromised ideal consumption” that resembles neither middle class (their background and ideal) nor underclass lifestyle (the same economic bracket).

In the consumption field, informants are calculative, resourceful, informed, and balancing shoppers who attempt to enforce the conversion between various forms of capital (e.g. turn language proficiency into money-saving opportunities by shopping overseas) that cannot be carried out in institutionalized ways. They on the one hand capitalize their remaining non-economic capitals to access products that should have been out of reach, while on the other hand legitimize such spending patterns with their emotional and cultural capital. Their shopping is limited to light, small luxuries that support part of their ideal lifestyle and identity project with affordable costs. In other words, their shopping is self-focused. It is a performance of their internalized value instead of status seeking. Their seemingly hedonic consumption practices are not based on lighthearted shopping, but have been compromised and calculated to balance their internal conflicts. However, although these capitals allow informants to temporarily extend their privileged lifestyle, they may be diluted as time goes on and leave the new poor in a more disadvantaged social position.

As the demarcation among different social classes in consumption may be considered blurred, the data indicate that even in the mass market and in the recession context, consumers' internalized values, interpretations, and practices still signal social class differences. These differences may be diluted in the production system (e.g., the sweeping low-earning problem), but remain salient in the consumption field. Informants' coping strategies and narratives also provide an alternative framework to examine how class-based advantages can be used to compete for social status even without enough purchasing power and actual luxury consumption. The findings thus contribute to our understanding of how incongruent capitals and fragmented social class consciousness reproduce individuals' social position in the downward mobility.

## **CHAPTER 5**

### **CONCLUSION**

This dissertation explored how new poor consumers interpret their identity and experience in the downward mobility in the Great Recession, as well as how they cope with and reproduce their fragmented social class consciousness in everyday consumption. New poor consumers are unique because various forms of capital in their multi-faceted social class consciousness are incongruent. To understand these consumers who acquired a transitional, “in-between” identity and their consumption practices, I did not follow a traditional stream of work in which social class is defined by standardized variables to predict consumer behavior (see Meng & Frardrich, 2010) or is dismissed as an obsolete notion that cannot be used to explain consumer behavior in the modern society where everyone seems to have free access to any products or services (see Holt, 1998). In this study, I applied the theoretical concepts (e.g., Bourdieu’s discussion of capital) developed in dominant social class and consumption research (Longhurst & Savage, 1996) to examine a more dynamic relationship between consumer behavior and social class consciousness in social mobility.

This chapter is structured as follows. First, I present how some findings emerged from the pilot interview data contradicted some initial expectations that I hold before entering the field. These findings cannot be used directly to understand the new poor, but they still indicate “what/how new poor is not.” The findings of this dissertation were crystallized in the process that some initial thoughts were trimmed while other dimensions emerged from the data were probed in detail. Subsequently, I summarize the findings of chapter four to answer the two research questions of this dissertation. The findings from in-depth interviews suggested that consumers’ class-based capitals operated in novel ways to facilitate status-seeking in their transitional status. For example, cultural capital was endowed a new meaning revolving around “shopping literacy,” which includes not only tastes but also an informed and skeptical attitude toward consumerism. Informants employed an alternative narrative to compete for social status and reassure their self-identities through moderate consumption practices. In essence, rather than focusing on ownership, they stressed and “enforced” their entitlement to material well-being, even if it is failed in the new socioeconomic reality. Then, I discuss the theoretical contribution of the present dissertation, which lies in capturing the dynamic process in which one’s social

position in downward mobility is reproduced through their active processes of consumption, as well as applying Bourdieu's arguments of capitals in the contemporary marketplace of income inequality. In terms of managerial implications, I discuss the psychologic features of the new poor and suggest advertising tactics that can be employed to communicate with this emerging group of consumers. In the last section, I indicate some major limitations of this dissertation and suggest dimensions that can be explored in future research.

### **Initial Expectations Challenged**

The pilot interviews conducted in the initial stage of data collection revealed a major contradiction between informants' responses and my expectation before entering the field, i.e., informants do not perform counter-attitudinal behavior in consumption, which means they do not knowingly choose products/brands considered inferior to save money. I expected that new poor consumers would be "forced" to turn to affordable savers to accommodate their constrained budgets, thus opt for products that do not perfectly match their self-images. As such, they may suffer from the aversive feeling aroused by counter-attitudinal behavior, and therefore view masstige (short for mass prestige) brands as a solution to accommodate both their desires and budgets, because masstige business appeals to "high-end image, low-end price" (Silverstein & Fiske, 2003). In this vein, an original objective of this dissertation was to locate a corresponding relationship between the emerging new poor class and the booming masstige consumer culture, especially with respect to fashion.

However, according to the data of the present study, new poor informants do not engage in counter-attitudinal behavior. Instead, they stick to products/brands they adore and trade up for small luxuries regardless of their low earnings. Considering the constrained budgets, they would rather compromise in quantity than in quality, which means they do not shop for inferior options to save money, but would rather have only few pieces of items that truly reflect their self-images. Besides, in informants' reflections, fashion is merely a kind of product that they may or may not value. In terms of consumption, some informants may trade up in this category while others are not interested in "creating a middle class façade" with fashion products. In other words, fashion is not the most pertinent context to reveal new poor consumers' negotiation and coping with the gap between their self-images and constrained purchase power.

After shedding those expectations that were not supported by the data, I modified the research agenda and methodological design. In the following section, I discuss the themes that emerged from the data to answer the research questions.

### **Answering the Research Questions**

The refined research questions of this dissertation were (1) How do the new poor interpret their identity and experience in downward mobility, especially in terms of potential incongruent class-based capitals? (2) If and how do the new poor cope with and reproduce their fragmented social class consciousness in everyday consumption?

The data indicated that informants tend to perceive their social position in downward mobility as “in between” social classes. Their perception of identity in a time of downward mobility was conceptualized as “failed entitlement,” in which they are still proud of their qualifications (e.g., professional skills) that “should work” in the norms of the old socioeconomic reality, even if they have been devalued nowadays. These devalued capitals have diluted informants’ privileges in the workplace and no longer promised a superior position in the production system. The new poor informants therefore suffered from economic problems ranging from stagnant salary, unemployment, contingent employment, low earnings, and limited opportunities of upward mobility. However, these non-economic capitals, such as emotional capital and cultural capital, can still be wielded in the consumption field to tentatively reassure informants’ identity, allow them to pursue an ideal lifestyle, and build social class differences.

In the traditional sense, based on a standardized measurement of social class (e.g., by education, occupation and income; Mihić & Čulina, 2006), each variable of the new poor can be assigned a corresponding score to measure their social class. For example, in Holt’s (1998) study, a Ph.D. degree or an elite B.A. scores 5 out of 5 in education, which constitutes part of the cultural capital. But such measurement based on accumulative scores does not reflect the wide gap among different capitals of the new poor and their social position in transition. Thus, there is potential incongruence between how they view themselves and how they might be viewed “on paper,” and this gap was evidenced in the present study. They are not simply “well-educated poor” or “middle class with income loss.” Their fragmented identity should be viewed as a

whole, in order to explain the differences of consumption practice between the new poor and other social classes to which they are usually compared.

The uniqueness of the new poor's consumption practices can be discussed in terms of what they buy, how they buy, and why they buy. For example, given informants' undermined economic standing as well as their strong emotional capital cultivated in their upbringing, they tend to trade up for "small luxuries" in an affordable price range that do not imply ostentatious wealth but represent an intimate connection to the consumers' self. While informants are fully aware of their low budgets and incapability in terms of owning durable assets such as real estate, they did not become savers. Due to a strong sense of entitlement and security, they turn to immediate rewards to alleviate the identity strain that resulted from the inaccessibility of their anticipated lifestyle. On the other hand, however, informants are not lighthearted spenders. I would argue that they are calculative, resourceful, and informed shoppers who strategically capitalize their remaining advantages to access a lifestyle that should have been out of reach. For example, informants take advantage of their second language proficiency and technology literacy to obtain deals that are not intended by manufacturers, so that they acquire deals that are not available for others.

In addition, by stressing shopping literacy and the entitlement to material well-being, instead of the possessions, informants compete for social status in the consumerism society even if they can only engage in moderate consumption. For example, to mix-and-match a designer fashion piece with other mass fashion pieces is believed to be a more tasteful, literate, and correct way to consume fashion than having high-end fashion pieces from top to toe, which signals nothing beyond economic standing. Such narrative on the one hand mitigates the ambivalence between their low-earnings and their high expectation to material well-being, while on the other hand serves as an alternative channel to perform social class privileges, as these strategies cannot be easily imitated by other low-income consumers if without a high level of non-economic capital equivalent to the new poor's. In other words, their moderate consumption practices are not created merely for the sake of saving money. Besides, informants' motivation of shopping is habitus-based and self-focused, which means in consumption, they indicate that they care about carrying out their internalized values and feeling good about themselves, instead of

earning external recognition. But their seemingly hedonic consumption is also a deliberate coping act for the unpleasant socioeconomic reality and the great uncertainty of the future.

As such, incongruent levels of capital have shaped informants' unique consumption practices, which are distinct from those of the low-income consumers as well as the financially secure middle class or new middle class consumers. In terms of shopping behavior, low-income consumers tend to engage in thrifty shopping to accommodate their low budgets (Kempson et al., 1994), search for partially-consumed products (Hill & Stamey, 1990), or invest in conspicuous products to mask poverty (Elliott & Leonard, 2004). They may also redefine the significance of material possessions to withdraw from the accepted norms in the consumerism society (Hamilton & Catterall, 2006). However, new poor consumers stick to their internal values and habitus. They would rather enjoy a small part of their ideal lifestyle in a confined manner (e.g., travel in frugal way, have few pieces of high-quality products), than retreat from the middle-class or luxury market to secure more financial resources.

On the other hand, the new poor informants are also quite different from the middle class consumers in terms of what they can afford, their motivation of consumption, and their calculative attitude of weighing their advantages and disadvantages in the marketplace. Middle class is believed to have more disposable incomes to spend on discretionary consumption such as housing, transport, fashion, recreation, and education (Guarín & Knorringa, 2014), which are unaffordable for the new poor. They may also use consumption as a means to compete for prestige (e.g., Wong & Ahuvia, 1998), while the new poor prioritizes self-focused purposes within budget limitation. The consumption motivation of these cosmopolitan, millennial, new poor consumers does not articulate with local cultural factors (e.g., the Confucian collectivistic culture or the adoration of Western-style materialism) that often mediate the consumption of middle class consumers.

### **Theoretical Contributions**

This dissertation explained how individual's social position is reproduced in consumption when they experience downward mobility and when their identity consists of fragmented social class consciousness and mismatched social class features. The findings contribute to the literature of social class and consumption in the following four dimensions.

First, this dissertation attended to a group of consumers whose identity and consumption practices cannot be fully discussed in traditional social class and consumption literature in which social class is measured by certain selected demographic variables to account for lifestyle variations (Mihic & Čulina, 2006; Meng & Frardrich, 2010). The uniqueness of new poor does not lie in an exceptionally high or low level of demographic feature (e.g., extremely young, extremely poor, or extremely educated), but is reflected in the wide gap of mismatched features. One may argue that “consumers in downward mobility” is not a completely new topic, for example, Hamilton and Catterall (2006) have discussed the coping strategy of families facing income loss, while Newman’s (1988) ethnographic work captured how people who had “fallen from grace” interpret their experiences. However, in chapter two, I laid out three major distinctions between “the new poor downward mobility” and other general middle class downward mobility occurred before the Great Recession. Namely, the formation of social class consciousness (e.g., the middle class part in the new poor’s identity is not supported by a middle class status earned by themselves through a managerial, white-collar job or an above-average salary), the cause of downward mobility (new poor’s identity stain is a product of structural changes and double binds, not shrinking income or layoff on a personal level), and the wide gap in their social class consciousness (they do not see themselves as associated with a particular class while other discussions revolve around the special cases in a social class, e.g., middle class with income loss).

Data from this dissertation revealed that this type of downward mobility has fostered unique consumption practices, which differentiate the new poor from other low-income consumers even if they are also “falling from grace.” For example, new poor informants do not consume to mask poverty as the real poor would choose (Elliott & Leonard, 2004; Hamilton, 2012), and they do not adjust their values as others experiencing downward mobility may do (Hamilton & Catterall, 2006). Given the financial pressure and changing socioeconomic reality, their consumption practices are still habitus-based and self-focused. Instead of passively accepting the marginalization in the marketplace, they proactively access their ideal lifestyle through elaborative practices and narratives. For them, the failed entitlement can be enforced in consumption practices. In this sense, the new poor’s upbringing and once-privileged social position resulted in a durable habitus (Bourdieu, 1984, as cited in Beagan et al., 2015), and this



study captured how such habitus cultivated in the old socioeconomic reality reproduced their social position in the new socioeconomic reality.

Second, the active process in which new poor consumers create strategic narratives and coping acts to pursue status in the mass market, echoes Holt's (1998) argument that consumption patterns could still act to structure social classes nowadays if we focus on consumption *practices* instead of consumption *objects*. In Holt's (1998) study, high cultural capital holders and low cultural capital holders could afford the same possessions but would interpret them in different ways. In this dissertation, we do not merely see such social class differences when individuals engage in consumption, we further see social class differences when consumers are unable to fully participate in the consumerism society. That is to say, when consumers "trade down," i.e., developing money-saving strategies or engaging in moderate consumption practices in which most objects are relatively affordable and are for the mass, their behaviors still reveal class-based privileges and cannot be easily imitated by other low-income consumers. Taking backpacker travel for example, such frugal travel actually requires some class-based advantages and thus is not an option for all travelers with budget concerns. One may need to have second-language proficiency, computer literacy, and a cosmopolitan worldview to be able to "consume" tourism in this way.

Third, I used Bourdieu's discussion of capital to operationalize consumers' identity and features in downward mobility, which illuminated some new meanings endowed to various forms of capital in the contemporary context. For example, cultural capital is not signaled in the consumption of high-brow cultural forms such as ballet and opera. Instead, it is highly associated with the comprehensive understanding and strategic knowledge of the most appropriate genre to be used in a given social setting (Turner & Edmunds, 2002). It can be used strategically to save money in discretionary shopping as well. Meanwhile, based on these new meanings of capital, we see the underlying mechanism that mediates social class reproduction. For example, emotional capital used to refer to positive emotions such as feeling loved and confident (Rafferty, 2011). But informants' emotional capital means a sense of security, optimism, and a calm, self-control behavior in shopping. Therefore, they became "responsible spenders" who indulged in hedonic consumption as long as they do not go beyond their means. Eventually, they developed and acquired a lifestyle without a corresponding economic standing, which may

exacerbate their vulnerable new poor status as their capitals are diluted over time. Such a finding is consistent with Owens' (2015) argument that in societal changes, capitals possessed by the higher classes do not always operate in a more advantageous way than those of the lower class. With the analysis of how various forms of capital are wielded by new poor consumers, I demonstrate how social class is reproduced not by the possession of a set of class-based capitals, but by a dynamic process in which consumers attempt to cope with the wide gap among various forms of capital.

Such findings should be of interest to the CCT field. According to Arnould and Thompson (2005), away from ivory tower theorizing, "CCT research is fundamentally concerned with the cultural meanings, sociohistoric influences, and social dynamics that shape consumer experiences and identities in the myriad message contexts of everyday life" (p.875). This study examined the relationship among new poor consumers' agency, societal shifts, and shopping behavior, to capture a constant identity-seeking and identity-making process that is embedded in the social hierarchy implications endowed to consumer goods.

Finally, employing Bourdieu's theory to examine consumers in social mobility may be a relatively new but crucial way to apply his work in today's society. While Bourdieu's work focuses on the impact of social stratification on lifestyle variations, such a perspective is often criticized for the lack of evidence in terms of the extent to which these variations are meaningful and are reflective to the substantial differences across social groups (Longhurst & Savage, 1996). Taking television viewing of British households in the 1990s for example, the differences in viewing patterns of different social groups as well as how they are hypothesized to be related to the possession of cultural capital, are overshadowed by the overall heavy viewing by the population as a whole (Longhurst & Savage, 1996). In other words, sometimes it is the commonality, instead of the difference, among different social groups that bears more implications that are of interest to researchers. While the relativity of consumption pattern may not imply as many social class implications as expected, studying consumer behavior in a transitional status addresses such concerns if the focus is put on how certain consumption practices are stressed by consumers to claim their belonging to or distance from certain social classes. In other words, even if some consumption practices do not vary across different social groups, they are perceived as such and can be used to either compete for social status or reassure

a corresponding part in consumers' self-identity. For example, Beagan et al. (2015) pointed out that emphasizing a healthy diet, such as staying away from junk food, can be a discourse for consumers experiencing downward mobility to differentiate themselves from others in the same economic bracket. In the present study, informants also stressed that their shopping was led by natural, internalized, and good tastes instead of a pursuit of logos. That is to say, healthy eating and good taste acquired in upbringing may be perceived as upper class features. In this sense, compared to other consumers with a settled and firm social class consciousness, the interpretation of those in social mobility may better reveal the social class implications attached to commodities and practices, because these consumers' everyday lives involve more choices in terms of constantly reallocating resources available to reconstruct a relatable lifestyle. Put differently, new poor consumers need to acutely and strategically sustain some must-have parts in their everyday shopping (e.g., capitalize their advantages to obtain a few high-quality pieces), which bear more social class implications that they seek and feel comfortable with. As such, even if some variations across different social classes are not significant, they stay central to the reproduction of social stratification in our society.

### **Managerial Implications for Advertising**

In today's market, marketers still use social class as a lifestyle variable in segmentation. For example, in PRIZM segmentation, the "upper crust" are those wealthy older citizens above 55 years old and their kids have left home. They are affluent homeowners, engage in professional jobs, and have a post-graduate degree. Their corresponding lifestyle may be shopping at the Saks Fifth Avenue department store and taking a vacation in Europe. However, due to rapid societal shifts, the child of these "upper crust" couples can be a new poor youngster. For instance, among informants in the present study, Kathy's father is an attorney, while Calvin's father holds a Ph.D. degree; they are more financially secure than their children. Thus, we cannot properly conceptualize consumers like Kathy and Calvin if their upbringing and intergenerational mobility experiences are not considered along with their demographic variables. Their identity, instead of demographic variables, may be more central to their shopping behavior. The new poor is beyond a small, particular group of consumers; it can be viewed as a collectivistic phenomenon that impacts millennials across different consumer segments. For example, "young influentials" (single, middle class yuppies who care about balancing work and leisure) and

“boomtown singles” (single, working class, having a lower-mid salary and an active lifestyle) in PRIZM segmentation may commonly subscribe to a new poor mindset. In other words, the impact of the Great Recession on consumers could be profound and deserves more attention from marketers. According to Flatters and Willmott (2009), nearly all private forecasting agencies agree that the recent economic recession will not be as deep as the Great Depression but is still likely to be the most severe slowdown since then and affects most markets and consumers in all economic strata. This study provides insights regarding consumers’ identity change in the context of downward mobility, so that marketers may consider going beyond the behavioral perspective in order to gain a more acute and nuanced understanding of the contemporary consumer segmentation.

### ***Deliberate consumers who pay for meaningful differences***

In terms of the consumer behavior of the new poor, although the shrinking middle class implies that more people are becoming “poor” instead of joining the upper class (Pressman, 2007), according to the data here, we shall not assume that there are more “savers” in the market who are interested in thrifty shopping such as visiting dollar stores. Compared to other low-income consumers, the new poor consumers may surprise marketers by how much they are willing to spend on experiential and hedonic consumption. For the new poor, money-saving is more like “discretionary thrift” (Flatters & Willmott, 2009) that needs to be carried out in an elegant and decent manner. For example, instead of embracing cheap products, post-recession consumers prefer a lifestyle of simplicity with the greatest value (Flatters & Willmott, 2009). This implies that the below-the-line marketing tactics that aim to entice impulse shopping may not work for the new poor because they are deliberate shoppers. Due to the macro-societal trend of recession, middle class consumers have lost their taste for mindless consumerism and no longer desire “one-time” offers such as holiday sales (Vansgaard, 2015); and the U.S. is unlikely to reemerge as a “voracious consumer market” (Flatters & Willmott, 2009).

As the data revealed, the new poor consumers are not wasteful and lighthearted spenders as they would carefully select brands with a real, irreplaceable value. According to Fromm (2015), millennial consumers look for authentic and honest brands that create meaningful differences. Informants in this study actively avoided being categorized as followers of consumerism or mass appeal while shopping in the mass market. This observation matches the

findings from a series of experiments by Stephens et al. (2007), who showed that educated consumers (referred to as middle class in their study) actively avoided selecting the “majority” product that others selected in their desire to be unique. Therefore, instead of appealing to a bandwagon strategy or peer pressure, marketers may consider shaping the brand meaning to be consistent with the internalized values identified by new poor consumers (e.g., they stress a responsible, rational, tasteful, individualized, and informed attitude in shopping instead of to “keep up with the Joneses.”) To communicate with this group, brand value (e.g., quality, authenticity) must be stressed along with “hard appeal,” a direct and rational claim to indicate the exclusive features of the brand (Okazaki et al., 2010). New poor consumers do not consider themselves vulnerable to the “brand aura” such as purchasing certain brands simply because they are cool, fashionable, or associated with celebrities. Instead, cause marketing that appeals to mutual and substantial benefits should be considered to associate the brand with a desirable image. The “one for one” business model of TOMS, a shoes brand, could be a good example in terms of building its brand value upon a charity business, which differentiates the brand from its competitors. Contradictory to the common belief that the concept of luxury is built upon social comparison and external recognition (Nunes et al., 2011), for the new poor, luxury is self-focused and can be inconspicuous and small items that echo their value. Fromm et al. (2015) suggest marketers should change from advertising ideas to creating ideas worth advertising, which means providing shopping experiences that can be added to consumers’ personal stories and identities.

### ***Tailoring deals based on collaborative partnership***

Another unique feature of the new poor is their willingness to pay extra efforts to shape each transaction into a good deal. As previously mentioned, the informants interviewed were not savers; instead of saving a small amount of money each month, they would splurge on items of small luxuries such as travel and dining out. However, they are crafty consumers who could endure inconvenience and extra time and effort to obtain the best buy. While it is likely to be their strategy to accommodate their low budgets, the data also revealed that it is an action to show that they are not led by marketers and are more informed than other consumers. For informants, the best deals are not provided by manufacturers, and you can only get more than you pay when “you do not have things in the way they are sold to you.” For example, informants

are not crazy for anniversary sales (a promotion designed by manufacturers), but may shop online to obtain products from other countries, as the original price in the country-of-origin can be lower than a discounted price in the local market. The bargain is “exclusive” for them as it requires some class-based capitals to access, which is different from those deals available for everyone as long as consumers have basic skills, e.g., Do-It-Yourself furniture.

Such a tendency probably explains the booming development of the “transparent” business model in which consumers can tailor their own deals. For example, LCC (low cost carrier) airlines offer affordable fares and consumers could pay extra money to purchase the services such as checked luggage and meals only if they need them. Similarly, online fashion brand EVERLANE appeals to “radical transparency” to disclose the costs (e.g., materials, labor, duties, hardware, and transport) and profits of each product. Consumers thus would know that the retail prices in other stores may contain other costs that they are not willing to pay for, such as a celebrity spokesperson. As such, while communicating with new poor consumers, marketers may want to stay away from traditional promotions such as package deals, gift sets, or coupon-clipping, but consider a more collaborative way to involve consumers in which they play a more informed role and could “make a decision” on the final price based on individual needs. Put differently, instead of making the transaction as a zero-sum game between manufacturers’ making money and consumers’ spending money, marketers should position the brand as in a partnership with consumers and show that manufacturers and consumers could work together to achieve a common goal.

Advertising appeals for the new poor should therefore reflect their taste in low-key, quiet signals that would resonate only among insiders or on a personal level, and stress their agency in the consumerism society. In addition, since new poor consumers attempt to restore their “deserved” lifestyle through shopping, instead of appealing to cut-throat pricing or money-saving purposes, advertisers may want to facilitate new poor consumers’ imagination of a decent, cultivated, and cosmopolitan lifestyle through the commodities, while making “affordable price” simply a bonus. Their tendency of caring more about performance-price ratio than an affordable price could be a niche for newly-established, young brands among which the price and utility may be better correlated. This also implies that new poor consumer may not have great brand loyalty and may turn to any brand that provides the essential “efficacy” they want in the most

economical way. In other words, new poor consumers may not believe in “democratizing luxuries,” but they may be interested in brands that are able to democratize some efficacies that usually are attached to luxury consumption. For example, high-quality clothing without brands, a great-location hotel with minimum services, and a vacation in backpacker style.

### **Research Limitations and Future Research**

This study comes with five major limitations that should be addressed in future research. First, as Calhoun (1993, as cited in Longhurst & Savage, 1996) pointed out, Bourdieu’s work is relatively weak in historical variability and temporal change. As the present study employs his framework to examine how consumers interpret and cope with their identity strain in the field of consumption, an emphasis is inevitably put on consumers’ agency and historical specificity. Taking an inductive approach to conceptualize consumers’ identity and social position, this study has touched on, but not extensively investigated, the impact of macro-societal forces such as the contemporary consumerism, cultural change, and generational value on consumer behavior. For example, with respect to consumers’ tendency in hedonic, ephemeral, and experiential consumption to shop for little luxuries that are meaningful only to themselves, its implication could go beyond the negotiation among different capitals but serve as a political act to subvert traditional cultural values, in which conspicuous consumption is used to earn prestige. In future studies, the research questions can be explored in other countries across various levels of economic condition but with similar cultural background (e.g., Taiwan, Hong Kong, China, and Singapore are commonly influenced by Chinese culture). Such a setting may reveal that consumer behavior is structured more by cultural change and less by personal reaction to booming or slack economic growth. These “intra-cultural” variations may be diluted in the cross-cultural setting in this study, in which Taiwanese and the U.S. consumers’ behavior appeared to be cosmopolitan and without salient cultural differences. For example, in this study, informants from a collectivistic cultural background did not tend to interpret their new poor experience in relation to others (e.g., a disgrace of family), while their counterparts in an individualistic cultural background did not consider the issue a personal failure, either. Future research may consider the co-constitutive nature of consumer behavior along with the historical, political, economic, and cultural background in the local market.

Second, the findings leave some questions open regarding individual differences in the new poor phenomenon. In this study, new poor is deemed as a transitional social position as well as a subjective interpretation of this status. But this study failed to locate a corresponding relationship between the social position and the subjective interpretation. In other words, there may be individuals in a similar status of mobility, but they do not interpret their social position as new poor. These individuals may not feel deprived or share a sense of fragmented identity, so that their consumption practices cannot be explained in the framework of the present study. The discrepancy implies that the new poor psychographic feature may not be a mere reaction to the contemporary socioeconomic reality, but may be mediated by additional underlying mechanisms that make individuals consider themselves to be new poor. For example, a strong social class consciousness, a higher benchmark of material well-being, a motivated personality, and so on. Future quantitative studies would be helpful in locating correlations and, possibly, causal relationships between the new poor's personal dispositions and consumer behavior.

Third, the data did not reveal much with respect to how informants use their social capital in the compromised ideal consumption. For example, none of them mentioned "group buying" as a money-saving strategy or the ways that their social network help them obtain employment or purchase goods. As an advantageous social network may also be the heritage from their once-privileged social position, I am curious about why informants seem to rely less on social networks to reconstruct their ideal lifestyle. There are some possible explanations. For example, consumers are reluctant to disclose their low earnings to others, or shopping is viewed as a personal indulgence that should not be done in a collaborative manner. Future studies taking another approach such as ethnographic method may help address this question.

Fourth, although gender difference is not considered salient in the new poor phenomenon, the data are overrepresented by female informants so that I may be neglecting some gender-specific coping strategies and shopping practices. Future studies including more male participants would enrich the scholarship with gender-related insight.

Fifth, this research used in-depth interviews as a way to gauge the identity, meanings, perceptions, and lived experiences of self-defined new poor consumers. Future research might use a wider range of methods to see how their identities are shaped in the interaction with symbolic meanings attached to commodities. For example, employing textual analysis or



systematic content analysis to examine the advertisements of those products/brands with class implications, could reveal differences in the way that social class is communicated and codified to consumers. For example, Stephens et al. (2007) suggested that those magazines advertisements of cars targeting middle class consumers often appeal to differentiating from others, while those targeting working class tend to signal the connections and relationships with others. Such narratives can become self-perpetuating for consumers in the sociocultural contexts (Stephens et al., 2007). Frith and Wesson (1991) also analyzed advertisements as a way to understand how social classes are manifested in different countries. In a class-consciousness country such as the U.K., advertisements are likely to depict people identifiable by class to represent diffuse classes in the society. In other words, these studies use cultural texts to reveal the social norms and class implications that could be “consumed” and identified by consumers in shopping.

In the future, I plan to develop the project by including more advertisers’ insight. I will continue the interviews among advertising professionals and analyze the data based on the findings of this dissertation. For example, I expect the advertisers of brands/products adored by the new poor (e.g., travel, healthy diet) may have developed corresponding tactics to appeal to the millennial youngsters with low earnings, while their counterparts in industries such as automobiles, real estate, and jewelry may focus on serving customers on the top of the pyramid.

I also hope to explore consumer behavior in the context of ascending mobility, particularly the international student mobility, to discuss the capital acquisition and loss in the transnational education and labor market. For those individuals who pay for overseas higher education to acquire cultural capital endorsed in global marketplace (such as studying in the U.S.), the meaning of capital may change as individuals go across the national border: Studying abroad may imply a decrease in social ties, resourcefulness, cultural capital such as language proficiency, and even emotional support. For example, the accent discrimination in the workplace may affect the employment opportunities of foreigners (Akomolafe, 2013), which implies a cultural capital loss despite educational attainment. In other words, while studying abroad is heavily associated with expectation of a better career in the global market (Kim, 2011), which means upward mobility in the traditional sense, international students may exemplify a form of upward mobility which is not well-grounded upon overall enhancement of various forms

of capital. In this way, such a context can be used to examine how incongruent capitals are used to earn social status in transnational ascending mobility.

In sum, despite some limitations, this dissertation revealed interesting insights into new poor consumers' identity and consumption practices. As such, the findings regarding social class mobility and its effects on capitals, identity, and everyday consumption should be of interest to scholars who are concerned with the implications of consumer behavior in today's income inequality context, and to marketers who examine consumers' psychographic features in recession.

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## **APPENDIX A**

### **INTERVIEW GUIDE**

#### **Interview guide for new poor consumers**

##### **1 The formation of class identities**

(a) Could you please tell me about yourself? (Where you were born, where have you lived, what do you consider important about your family and yourself, your family background, your education, your working experience, your lifestyle and perspective of value?)

(b) What do you think of when you hear the term “social class”? How do you know what social class means? How would you describe your “social class” while growing up? (What makes you think that? What about the other people in your life? Do you think you come from a middle class family? What is a middle class lifestyle? What about “lower class”—what is a lower class lifestyle? What is upper class? What is an upper class lifestyle?)

(c) Thinking about who you are as an adult, which social class do you think you belong to and why? (Education? Financial security? Occupation? Family background? Taste? Friends in your social networking?) In what ways do you think your buying or living habits reflect social class? (your consumption of food, fashion, or other hobbies...) Maybe some aspects of you belong to a certain class and other aspects belong to another class, could you share the difference with me? What sort of social class would you like to be in? (What makes you say that?) What kind of lifestyle do you think most people (in Taiwan/ the U.S.) live?

(d) How would you compare your life to the previous generation? (What has changed? What has remained? Why?) How did you expect your life to be when you were little? (Any family pressure or expectation involved? How do you feel about any of the intergenerational differences?) If interviewees mentions difficulties, probe who is responsible for the situation (yourself, government, parents, globalization, etc.).

(e) Is there anything else you’d like to talk about regarding your background or social class? Thank you. Now we are going to talk more specifically about consumption.

##### **2 Consumption practices**

(a) Do you enjoy shopping? Please tell me about your most recent shopping trip. How would you describe yourself as a consumer? Do you need to take care of household expenditure or your shopping is mostly for yourself?

(b) How did you select products and brands? Why are they important to you? When, where, and the frequency of shopping? If we just talk about brands you like, what brands would that be?

(c) Is there any other kind of consumption that takes a significant proportion of your expenditure?

(d) Are there certain kinds of products or experiences that you “splurge” on? (In other words, you may spend more money than you have.) Please, tell me about a recent “splurge.” How did that make you feel?

(e) On the other hand, are there certain kinds of products that you would never splurge on, i.e., you always buy the most affordable option?

(f) Have you heard of new luxury products? How do you think about something with high-end image and low-end price?

### 3 The ambivalent mindset

(a) Have you ever heard of the term “the new poor class?” what do you think it means? Do you think the term applies to anyone you know? What about yourself?

(b) Do you think your disposable income is sufficient for your ideal lifestyle? Is your current lifestyle settled or temporary? Are you satisfied with that? If not, what is missing?

(c) How do you picture future? (Will things be better in the future? How would you feel if things stay the same in the future? What’s the opportunity or challenge you may have? In which ways you think you may be different from other people in the same economic bracket?)

(d) If you suddenly moved up in social class, do you think your lifestyle would change? (If so, in what ways)? What if you moved down in social class?

Is there anything else that I should have asked? Is there anything else you’d like to tell me?

Thank you for your time.

## **Interview guide for advertising professionals**

### 1 A transitional middle class market

(a) Do you think that social class matters in advertising/marketing? What are the differences between selling to an elite market and a mass market?

(b) Empirically, what are the features of a middle class market in your mind? For advertisers, what is a middle class lifestyle?

(c) What would be a typical fashion brand that targets the middle class market? If we have a stagnant income for more than one decade, does the middle class market mean the same as it did twenty years ago? Is what consumers want today similar to that twenty years ago?

### 2 The masstige myth

(a) Fashion brands like ZARA, UNIQLO, and H&M are usually categorized as fast fashion brands, do you agree with this categorization? Are the ways they communicate to consumers similar to each other? How will you name them?

(b) In the fashion industry now, brands like ZARA, UNIQLO, GAP, and H&M are the leaders, instead of luxurious brands. What does this mean? Does it imply that the brand myth is broken? Targeting the mass market is more profitable than targeting the elite market? Or it is because people are getting poor? Is there a fashion brand that does not target the mass market at all?

(c) Which fashion brands are positioned as (classic) luxuries in the market? What are the key elements to build a high-end image? Do brands like ZARA, UNILQO, and H&M employ these elements? When there are other fashion brands whose products come with a similar price range, what are the secrets to make ZARA, UNIQLO, and H&M stand out? Do these brands challenge how we think about the relationship between brand image and pricing? Does it mean brands no longer need expensive products to support the brand image?

### 3 The new poor consumer culture

(a) To what extent that advertisers need to be acute to social changes and design marketing tactics accordingly? What is the trend to boost the success of masstige brands?

(b) Do you think the success of these masstige brands will continue? How do you observe the consumer culture in the economic downturns? What do people want when they suffer from economic pressure?

**APPENDIX B**

**INFORMANTS' PROFILES OF ADVERTISING PROFESSIONALS**

<b>Pseudonym</b>	<b>Position</b>	<b>Site</b>	<b>Account</b>
Elaine	Assistant Brand Manager	Taipei	Beauty products
Fiona	Marketing Manager	Taipei	Kitchen appliances
Will	Associate Director, Product Marketing	Taipei	Consumer electronics (e.g., cellphone)
Ronda	Brand Strategist	Chicago	Snack brands
Steve	Senior Anthropologist and Research Specialist	Minneapolis	
Susan	Senior Vice President, Research Director	Chicago	
Kyle	Intern in marketing	Chicago	Fast food

## APPENDIX C

### IRB APPROVAL

UNIVERSITY OF ILLINOIS  
AT URBANA-CHAMPAIGN

Office of Vice Chancellor for Research  
Institutional Review Board  
528 East Green Street  
Suite 203  
Champaign, IL 61820



July 15, 2013

Michelle Nelson  
Advertising  
119 Gregory Hall  
810 S Wright St  
M/C 462

RE: *The Downward Mobility of the Dwindling Middle Class in East Asia—Exploring the “Faces” of the New Poor Class in Taiwan*  
IRB Protocol Number: 13966

**EXPIRATION DATE: July 14, 2016**

Dear Dr. Nelson:

Thank you for submitting the completed IRB application form for your project entitled *The Downward Mobility of the Dwindling Middle Class in East Asia—Exploring the “Faces” of the New Poor Class in Taiwan*. Your project was assigned Institutional Review Board (IRB) Protocol Number 13966 and reviewed. It has been determined that the research activities described in this application meet the criteria for exemption at 45CFR46.101(b)(2).

This determination of exemption only applies to the research study as submitted. Please note that additional modifications to your project need to be submitted to the IRB for review and exemption determination or approval before the modifications are initiated.

We appreciate your conscientious adherence to the requirements of human subjects research. If you have any questions about the IRB process, or if you need assistance at any time, please feel free to contact me or the IRB Office, or visit our website at <http://www.irb.illinois.edu>.

Sincerely,

Dustin L. Yocum, Human Subjects Research Exempt Specialist, Institutional Review Board

c: Wei-Fen Chen



UNIVERSITY OF ILLINOIS  
AT URBANA-CHAMPAIGN

Office of Vice Chancellor for Research  
Institutional Review Board  
528 East Green Street  
Suite 203  
Champaign, IL 61820



October 9, 2014

Michelle Nelson  
Advertising  
119 Gregory Hall  
810 S Wright St  
M/C 462

RE: *Fluid social class and consumer culture in transitions—exploring the “new poor” in Taiwan and the U.S.*  
IRB Protocol Number: 15249

EXPIRATION DATE: October 8, 2017

Dear Dr. Nelson:

Thank you for submitting the completed IRB application form for your project entitled *Fluid social class and consumer culture in transitions—exploring the “new poor” in Taiwan and the U.S.* Your project was assigned Institutional Review Board (IRB) Protocol Number 15249 and reviewed. It has been determined that the research activities described in this application meet the criteria for exemption at 45CFR46.101(b)(2).

This determination of exemption only applies to the research study as submitted. Please note that additional modifications to your project need to be submitted to the IRB for review and exemption determination or approval before the modifications are initiated.

We appreciate your conscientious adherence to the requirements of human subjects research. If you have any questions about the IRB process, or if you need assistance at any time, please feel free to contact me or the IRB Office, or visit our website at <http://www.irb.illinois.edu>.

Sincerely,

Dustin L. Yocum, Human Subjects Research Exempt Specialist, Institutional Review Board

c: Wei Fen Chen

UNIVERSITY OF ILLINOIS  
AT URBANA-CHAMPAIGN

Office of Vice Chancellor for Research  
Institutional Review Board  
528 East Green Street  
Suite 203  
Champaign, IL 61820



October 9, 2014

Michelle Nelson  
Advertising  
119 Gregory Hall  
810 S Wright St  
M/C 462

RE: *Fluid social class and consumer culture in transitions--exploring the branding of masstige fashion in Taiwan and the U.S.*  
IRB Protocol Number: 15247

**EXPIRATION DATE: October 8, 2017**

Dear Dr. Nelson:

Thank you for submitting the completed IRB application form for your project entitled *Fluid social class and consumer culture in transitions--exploring the branding of masstige fashion in Taiwan and the U.S.*. Your project was assigned Institutional Review Board (IRB) Protocol Number 15247 and reviewed. It has been determined that the research activities described in this application meet the criteria for exemption at 45CFR46.101(b)(2).

This determination of exemption only applies to the research study as submitted. Please note that additional modifications to your project need to be submitted to the IRB for review and exemption determination or approval before the modifications are initiated.

We appreciate your conscientious adherence to the requirements of human subjects research. If you have any questions about the IRB process, or if you need assistance at any time, please feel free to contact me or the IRB Office, or visit our website at <http://www.irb.illinois.edu>.

Sincerely,

Dustin L. Yocum, Human Subjects Research Exempt Specialist, Institutional Review Board

c: Wei Fen Chen